# Multichannel NEWS

NewBay Media

VOLUME 34 ▸ NUMBER 42 ▸ WWW.MULTICHANNEL.COM ▸ NOVEMBER 4, 2013 ▸ $6.95



ADVERTISEMENT

BIG-TIME

HOLLYWOOD HITS IN SPANISH

NOW WITH A BIG-TIME REACH ON

xfinity®

CINE SONY TELEVISION

AIRING NOVEMBER/DECEMBER

SONY PICTURES TELEVISION

CINE SONY TELEVISION IS A TRADEMARK OF CPE US NETWORKS II INC.
© 2013 CPE US NETWORKS II INC. ALL RIGHTS RESERVED.



#BXNPHTP ******AUTO**ORIGIN MIXED ADC 320
#MDL001415436 3/2#

GLEN ALLEN
CEO
SATELLITE SERVICES INC
2228 E MARCIA ST
INVERNESS FL 34453-9532

128-ISDL
000002967

S0046

# THE WORD Network

## THE LARGEST AFRICAN AMERICAN RELIGIOUS NETWORK IN THE WORLD IS MOVING TO A NEW FREQUENCY!

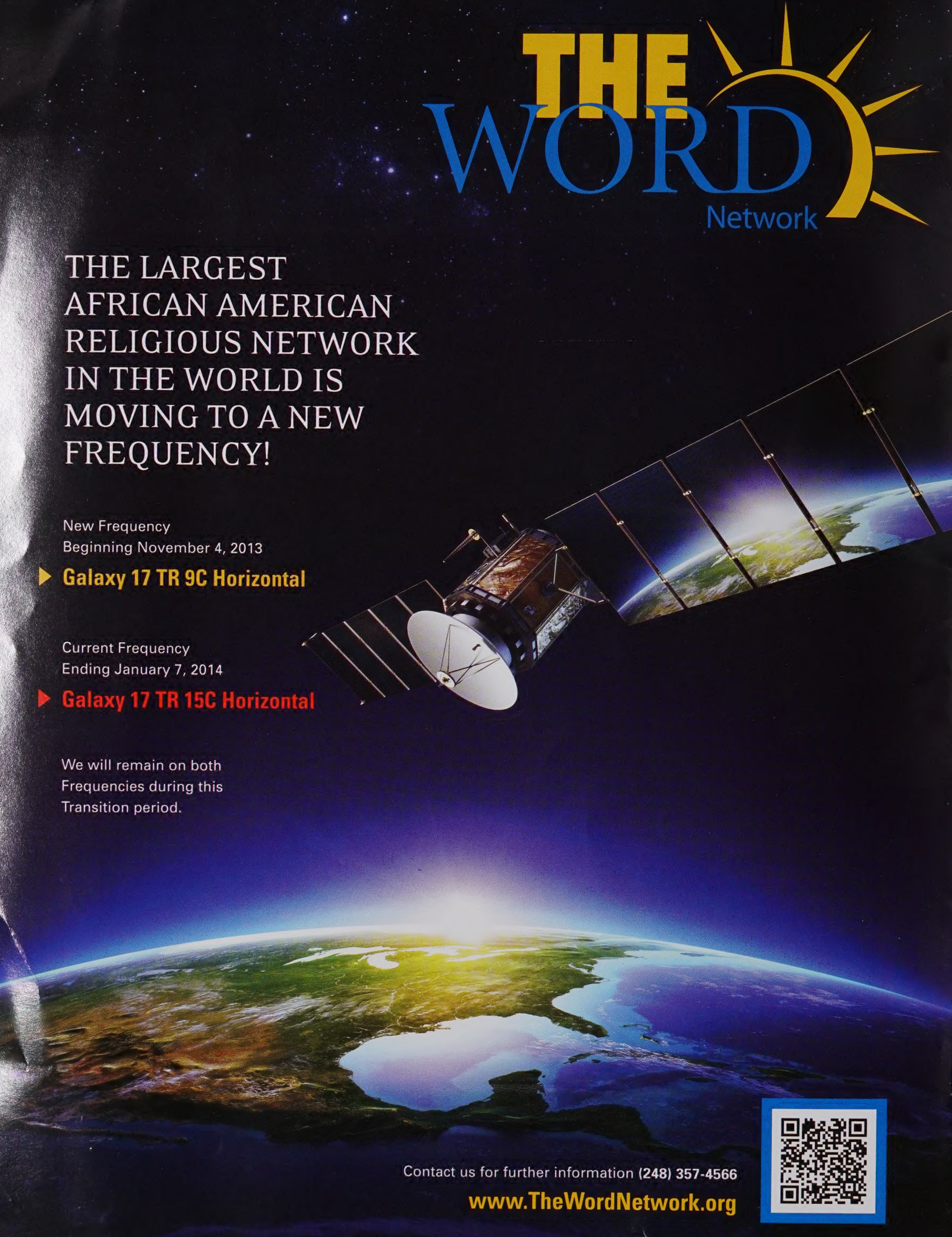
New Frequency
Beginning November 4, 2013

**▶ Galaxy 17 TR 9C Horizontal**

Current Frequency
Ending January 7, 2014

**▶ Galaxy 17 TR 15C Horizontal**

We will remain on both Frequencies during this Transition period.



Contact us for further information **(248) 357-4566**

**www.TheWordNetwork.org**

Multichannel NEWS®

NewBay Media

VOLUME 34 ▸ NUMBER 42 ▸ WWW.MULTICHANNEL.COM ▸ NOVEMBER 4, 2013 ▸ $6.95

# Trolls Turn to Cable

## PATENT ATTACKS EXPAND WITH INDUSTRY'S RELIANCE ON TECHNOLOGY

INSIDE:
NYC TELEVISIONWEEK
IT'S A WRAP

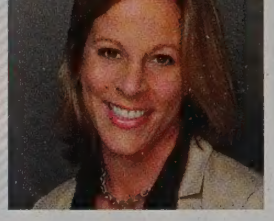
plus

New 'Xfinity TV Go' App Offers 35 Channels via Mobile

Is Intel Getting Out Of the TV Game?

Wheeler Confirmed; A Peek at His Agenda

**ONLINE VIDEO**
*MCN ONE ON ONE*
Watch Spi,ke TV's Sharon Levy talk about the network's effort to broaden beyond young men at **multichannel.com/Nov4.**



# TWC's Poor Results Fire Up Talk of Sale

## VIDEO SUBS LOSS DURING CBS BLACKOUT SPREAD TO DATA, VOICE

BY MIKE FARRELL

Time Warner Cable added fuel to the fire of continued consolidation in the cable industry last week, reporting dismal third-quarter subscriber metrics spurred mainly by its recent retransmission-consent dispute with CBS.

The second largest cable operator in the country lost 306,000 basic residential video subscribers in the period (304,000 if business video additions of 2,000 customers are counted), more than twice the 150,000-subscriber loss most analysts predicted. The main culprit was the CBS blackout, which affected about 3.2 million customers in New York, Los Angeles and Dallas for about one month. In addition, TWC said the blackout's effects spread to its high-speed data and voice products — it lost 24,000 HSD and 128,000 phone customers in the period — as customers dropped triple- and double-play packages.

**TAKEAWAY**

After losing more than twice the video subscribers analysts had expected, Time Warner Cable is under more pressure than ever to do a deal.

Analysts had expected the CBS blackout to have an impact on TWC's results, but even the least optimistic of them were surprised by the overall outcome. Consensus estimates were for TWC to lose between 150,000 and 160,000 video customers in the period. Pivotal Research Group principal and media & communications analyst Jeff Wlodarczak was closest to the actual mark — he had predicted TWC would lose 300,000 video customers.

The poor performance increased the pressure on TWC to do a deal. Its stock rose as much as 6% on Oct. 31 before closing at $120.15 each, up about 3% per share. In June, Charter reportedly made overtures to TWC about a possible deal, but was rejected. Sources have said the initial Charter offer was heavily dependent on using Time Warner Cable's balance sheet to finance a transaction.

### LIVING UP TO THE HYPE

As part of his opening remarks on a conference call to discuss third-quarter results, outgoing chairman and CEO Glenn Britt acknowledged the growing speculation around the company, adding that TWC would only do a deal if it were in the best interests of shareholders. He also pointed out that sometimes mergers don't live up to their hype; he cited Time Inc.'s 1990 pairing with Warner Communications and the 2001 joining of Time Warner Inc. and AOL, both deals that were initially touted for their mutual benefits but later proved to be "lopsided" toward one of the parties.

*"Consolidation can be a good thing. But the terms really matter."*

GLENN BRITT, TIME WARNER CABLE

"Consolidation can be a good thing," Britt said. "But the terms really matter."

Britt said in July that he would retire from the company at the end of the year. He added that the transition to new CEO Rob Marcus is going smoothly, and that Marcus, the current chief operating officer, is "a brilliant executive, and he knows how to lead."

But Marcus could face a rocky first few months in office. Not only does he have to fight off rising pressure to consolidate, he has myriad operational issues to overcome and must find a way to convince investors that the stock — up 25% since June purely on M&A speculation — is just as valuable as an organic growth play.

In contrast, Comcast, which reported its third-quarter earnings on Oct. 30, was largely in line with analysts's expectations. The nation's largest cable operator lost about 129,000 basic-video customers in the period (slightly ahead of the 117,000 it lost in the prior year) but nearly matched estimates for high-speed data additions (297,000 vs. 305,000 consensus) and exceeded targets for phone additions (169,000 vs.125,000 consensus).

In a research note last week, MoffettNathanson principal and senior analyst Craig Moffett noted that the results have broader implications, changing the dynamics of retransmission-consent negotiations for all operators going forward.

"Every cable operator now goes to the table knowing that CBS not only won the war, but left TWC badly damaged even for having fought the fight," Moffett wrote. "If you thought the scales were tipped in programmers' favor before, now you know that it is worse than you imagined."

Marcus, on the conference call with analysts, said TWC is making moves to win back customers, noting that it is about to launch a holiday promotion that will give new customers a Samsung tablet loaded with features. In addition, the company is aggressively targeting DSL customers in its footprint with a new 2-Megabit-per-second high-speed data offering priced at $14.95 per month; that offer is expected to begin in the next two weeks. Marcus said the goal is to convert at least 500,000 DSL customers to TWC broadband in the next 18 months.

The incoming CEO added that he has been working with senior management over the past 90 days to develop a plan to improve the customer experience. They came up with a strategy to target markets within TWC's footprint that receive the most trouble calls and designate them TWC Max Markets, which will receive a totally revamped customer experience, improved network reliability, be all-digital, and receive "quantum changes" in high-speed data tiers. TWC will begin designating TWC Max Markets next year.

"While these are ambitious plans, we firmly believe that the potential benefits over time will be significant — a happier, more stable subscriber base, a more robust platform on which to grow and innovate, and an even stronger competitive position," Marcus said.

Most other analysts expect TWC to improve results in the fourth quarter, which could temper the consolidation fire.

In his note last Thursday, Moffett wrote that the poor Q3 results could squelch some of the deal talk.

"Maybe, just maybe, Liberty and Charter won't be willing to pay as much as is currently embedded in TWC's shares for a TWC that is operating this poorly," Moffett wrote.

# Verizon Eyes Intel Media

BY JEFF BAUMGARTNER

Intel Corp. is in talks to sell all or part of Intel Media, the unit that's developing an over-the-top video subscription service, to Verizon Communications, a source said, confirming media reports that emerged last week.

Website AllThingsD characterized the talks as being in "advanced negotiations," but one source familiar with those talks told *Multichannel News* that a deal does not appear to be imminent. Intel Media and Verizon both declined to comment.

Sources confirmed last month that Intel Media's aspiring shot at creating a "virtual" MSO, reportedly to be called OnCue, would face a possible shutdown if it failed to secure enough content deals to create a compelling video service.

Verizon is only one of a growing list of companies said to be in M&A or partnership discussions with Intel Media, including Amazon, Samsung and Netflix. An industry source told *Multichannel News* that Intel Media has also tried to engage with Liberty Media about a partnership, but that Liberty had shown no interest in pursuing it.

Colin Dixon, chief analyst and founder of nScreenMedia, said Verizon has some sound strategic reasons to pursue Intel Media's OnCue platform as it seeks a uniform way to deliver services and hasten an IP video transition and a possible "virtual MSO" strategy.

A big question is how easy would it be for Verizon to port the OnCue client to devices such as Roku boxes and smart TVs?

# New Comcast App Streams 35 Channels Via Mobile Devices

ESPN's SportsCenter is among the shows Comcast subscribers can stream out of the home via its new "Xfinity TV Go" mobile app.

BY JEFF BAUMGARTNER

**TAKEAWAY**

Comcast's new "Xfinity TV Go" app allows subscribers to stream 35 channels as well as on-demand movies and other shows on iOS and Android devices.

Aiming to keep up with AT&T and other pay TV competitors, Comcast is preparing to launch a "major" update to its Xfinity TV Player app for iOS and Android devices that will enable authenticated customers to stream 35 live-TV channels outside the home.

The updated app, to be rebranded as "Xfinity TV Go" (the current app is called the Xfinity Player), will also allow customers to stream more than 25,000 on-demand titles and download "thousands" of movies and TV shows to mobile devices that can be viewed offline. Comcast didn't set a specific launch date for the upgrade, but last week said it will be available "in the coming days."

Out-of-home streaming, limited to Wi-Fi, will kick off with a news- and sports-heavy lineup that includes: BBC World News, beIN Sport, beIN Sport Español, Big Ten Network, CNBC, CNN, Disney Channel, Disney Junior, Disney XD, ESPN, ESPN2, ESPN3, ESPN Deportes, ESPNews, ESPNU, Fox Business Channel, Fox News Channel, Fox Sports 1, FX, FXX, Golf Channel, HLN, MSNBC, National Geographic Channel, Nat Geo Wild, NBC Sports Network and Pac-12 Networks. Comcast said it will add more to that list later.

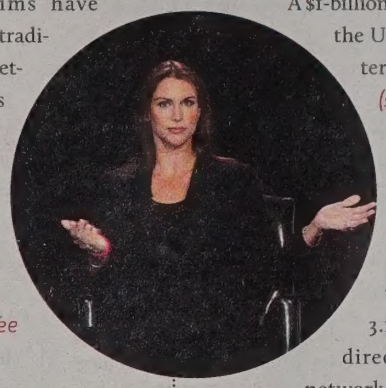
Comcast has been offering access to a select lineup of authenticated live TV streams via Web browsers at Xfinity.com/TV since 2012. The operator's new app and live TV components are partially born out of VIPER, the MSO's largely "home grown" cloud-based, IP video pipeline.

The operator has been offering in-home streaming of its full TV lineup using AnyPlay, a video-transcoding device with a CableCard developed in tandem with Motorola/Arris. Comcast, however, has been de-emphasizing that product as it looks to build that functionality inside new video-gateway products.

Comcast's coming out-of-home streaming package will help it keep pace with pay TV rivals such as AT&T U-verse TV, which recently announced the addition of 100 live TV channels to its TV Everywhere offering, including 20 that can be accessed out of the home. Dish Network, meanwhile, offers out-of-home access to its entire lineup with its current top-shelf product, the Hopper With Sling HD-DVR.

## 10 STORIES THAT MATTER

**1 Trolling for Dollars**
Patent claims have moved from traditionally targeted tech firms to deeper-pocketed cable providers, and the lawyer bills are piling up (see page 12).



**2 NYC Television Week**
Top executives from cable, broadcast, technology, content and advertising firms turned the Big Apple into media central (see pages 6, 8 and 16).

**3 Retrans Repercussions**
Time Warner Cable's one-month standoff with CBS led to a spike in customer disconnects across the service spectrum (see page 2).

**4 Wheeler at the Helm**
The FCC's incoming chairman, Tom Wheeler, cleared the last Senate obstacle to beginning his term at the agency (see page 4).

**5 Earnings Roundup**
Comcast, Discovery Communications and Crown Media were among the cable and content companies reporting third-quarter results (see multichannel.com/Nov4).

**6 AMC Plucks Chellomedia**
A $1-billion acquisition solidifies the U.S. programmer's international aspirations (see page 20).

**7 Multi-Gigabit Progress**
The CableLabs release of specifications for DOCSIS 3.1 is a big step in the direction of fiber-coax networks offering download speeds of 10 Gigabits per second (see page 22).

**8 What Superstorm Sandy Taught Comcast**
The nation's top cable company now has a 33-step "Incident Management Plan" to help it prepare for the arrival of another superstorm (see multichannel.com/Nov4).

**9 CSN Houston Updates**
Comcast SportsNet Houston, mired in ownership conflict between the teams and the cable operator, pitches a 45-day freeview in hopes of gaining momentum with other distributors (see multichannel.com/Nov4).

**10 Hall of Fame Highlights**
Through The Wire boils the *Broadcasting & Cable* Hall of Fame ceremony down into select quips and quotes (see page 28).

## IN THIS ISSUE


| | | | |
|---|---|---|---|
| 12 | CONTENT | 22 | PLATFORMS |
| 14 | FREEZE FRAME | 24 | MCN BUZZ |
| 17 | PEOPLE & CALENDAR | 26 | COMMUNITY |
| 18 | RULES | 27 | VIEWPOINT |
| 20 | FINANCE | 28 | THROUGH THE WIRE |

# Wheeler Ready to Take the Helm

## NEW FCC CHIEF TO BE SWORN IN TODAY

BY JOHN EGGERTON

WASHINGTON — Former National Cable & Telecommunications Association president Tom Wheeler is set to be sworn in as chairman of the Federal Communications Commission today (Nov. 4).

Wheeler's former calling card as lobbyist with both the NCTA and CTIA: The Wireless Association drew some early criticism given the White House's seemingly dim view of the profession — and there was a cautionary word or two last week from clean-government advocate Common Cause on the subject.

**TAKEAWAY**

New FCC chief Tom Wheeler will hit the ground running with key votes on the UHF discount and foreign TV-station ownership rules.

But his telecom background, combined with his business acumen, proved to be the right combination for the White House and the Senate. It didn't hurt that he had been a tech/communications adviser to the president, so he will not have a long learning curve.

Wheeler comes to the post with some critical issues to resolve, including incentive auctions, the media-ownership rule review mandated by Congress and now four years overdue, how the Internet-protocol transition should be handled, and the long-dormant retransmission-consent docket.

Eliminating the UHF discount (which values UHF stations as worth 50% of VHF stations when computing the federal ownership cap) and loosening restrictions on foreign station ownership have already been teed up, so those are two votes he could get under his belt early on.

Wheeler has said he recognizes the difficulty inherent in the FCC's first two-sided auction. He has likened it to a never-before-tried, Rubik's Cube-like puzzle. But the success of his chairmanship could hinge on the success of those auctions, which are in his wheelhouse as a former wireless lobbyist who has been pushing for more spectrum.

With the FCC post likely the capper on a long career, Wheeler is not expected to be simply a custodian of the post. "I think he is going to be an activist, get-things-done chairman who will set deadlines and meet them," says Dick Wiley, chairman of Wiley Rein, himself a former FCC chair.

C-SPAN PHOTO

Having survived Senate confirmation, new FCC chief Tom Wheeler is set to take office this week.

On retransmission consent, he said that while he is OK with broadcasters being compensated, what he isn't OK with is "when consumers are held hostage over corporate disputes." He said he would look at the issue if confirmed. Now that he has been confirmed, cable operators will certainly be looking for him to follow up.

That follow-up is more likely to be a nibble around the edges — better defining good-faith negotiations or including outside arbitration — than a major overhaul, which could face opposition from congressional Republicans.

"Retrans reform is long overdue, and we now have a record number of blackouts," said a spokesman for the American Television Alliance, a consortium of cable and satellite operators and others pushing for retrans reform. "We hope that chairman Wheeler and the rest of the commission carefully look at the facts and take action."

Communications attorney Andrew Jay Schwartzman added: "I expect him to be a strong manager and a decisive decision-maker. He has the benefit of a vast knowledge of the technologies and structure of the industries subject to FCC jurisdiction."

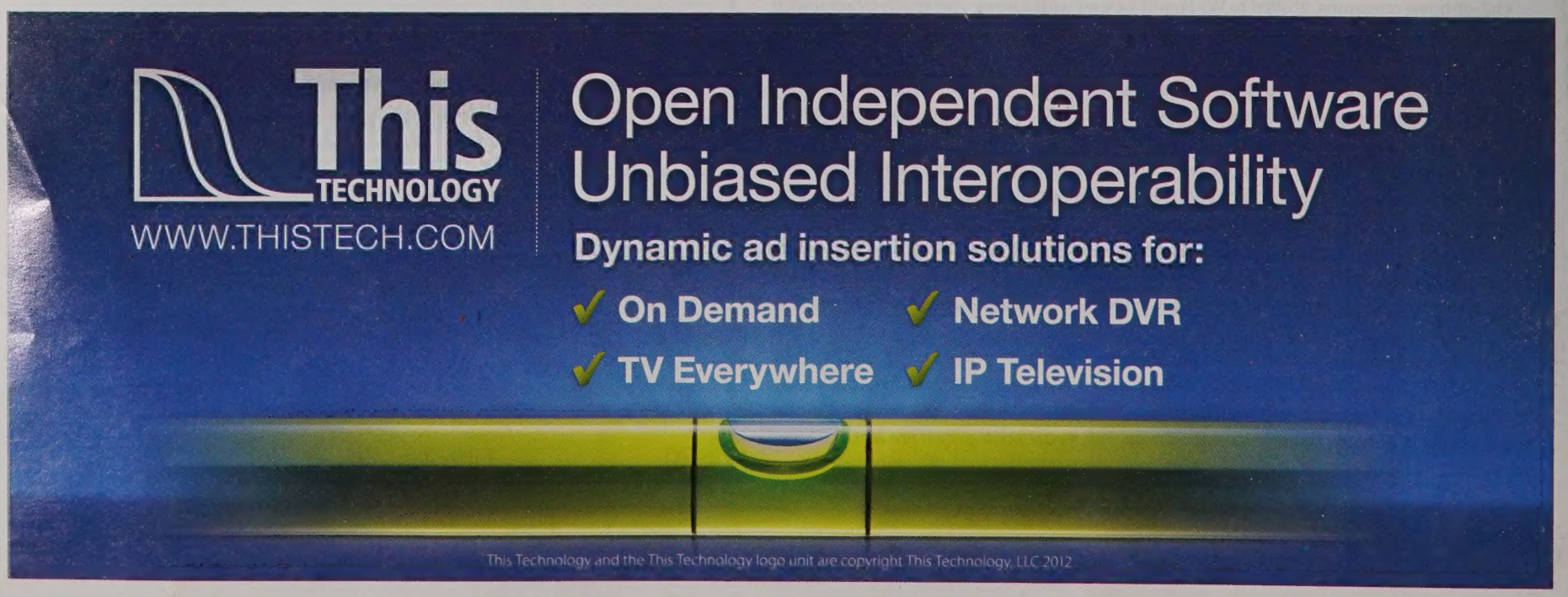
One of Wheeler's first jobs will be to hire or retain bureau chiefs. Among those likely to remain, either in current or new positions, are Wireless Bureau chief Ruth Milkman and Media Bureau chief Bill Lake, both of whom are neck-deep in incentive auction issues. Wheeler is said to possibly have a new Media Bureau chief in mind.

Among those Wheeler is said to be eyeing for possible FCC posts are Diane Cornell, formerly of both CTIA and the FCC; and Phil Verveer, a former FCC Cable Bureau chief — back when there was a Cable Bureau — and more recently deputy assistant secretary of state for international communications and information policy at the State Department.

Two weeks ago it looked like Thanksgiving would be the holiday associated with Wheeler's confirmation, maybe even Christmas given the hold on his nomination by Sen. Ted Cruz (R-Texas). But Cruz and Wheeler met last week, and the Senator indicated he was satisfied that Wheeler was not intent to get the FCC into the middle of the political ad disclosures issue.

After that, the Senate moved swiftly to confirm Wheeler unanimously, as it did the nomination of Michael O'Rielly for the open Republican seat; Democrats had made clear his nomination would not be approved until the Wheeler hold was lifted. At press time Wheeler was expected to be sworn in Nov. 4, but he did not return a call requesting details.

Acting chairwoman Mignon Clyburn will give up the big chair after having been more active than some had predicted, though mostly on the broadcast and phone fronts. That includes proposing to eliminate the UHF discount, potentially allowing more foreign ownership of broadcast stations, helping broker a compromise on 700-MHZ interoperability, reducing prison phone rates and taking action to boost rural call completions.



TV IS A NEW GAME
Today video is everywhere – on every device, website and street corner. But where is Television? Once it was a box. Then a flat screen. Now TV is a service, on the move, on every device and getting connected. The game is changing. At Ericsson we're ready. Are you?
TIME TO PLAY
TV. Anywhere. Now.
ERICSSON.COM/TIMETOPLAY
@ERICSSONTV
ERICSSON

# End of a Run for Cable?

## SECTOR STOCKS NEAR A PLATEAU, ANALYST SAYS

BY MIKE FARRELL

NEW YORK — Cable stocks' unprecedented run over the past two years could be nearing a plateau, MoffettNathanson Research partner and senior analyst Craig Moffett said at the *Multichannel News/B&C* NYC Television Week event last week.

JOHN STALEY

Analyst Craig Moffett: "I loved the cable story for a decade. I'm less bullish now."

Cable stocks have been on a hot streak for the past several years. Moffett cited research that showed cable has been the second best-performing sector in the world over the past 10 years (U.K. mining stocks were No. 1). But the runway may be coming to an end.

"For years I was known as the cable bull," Moffett said. "I loved the cable story for a decade. I'm less bullish now."

Moffett pointed to several factors, including the threat of regulation, high programming costs and the increasing inability for consumers to pay for television.

While consolidation speculation has been a major catalyst for the stocks' rise this year, Moffett noted, he isn't convinced that getting bigger will solve all of a distributor's problems.

Moffett added that while horizontal transactions offer real synergies, "they are not as big as what people are projecting." That, he said, could lead to inflated prices for both acquirees and acquirers, which, in turn, could affect deals actually getting done.

"The expectations for some of these deals have made it harder to get these deals done," Moffett said.

The analyst also made a case for cable operators to solve the programming-cost conundrum by getting out of the programming game altogether, providing a dumb pipe where shows could be distributed via a direct financial relationship between content provider and viewer.

"Imagine a world where content was purchased directly by the consumer," Moffett said. "Cable operators would be delighted to say, 'I don't want to be in the position to negotiate with ESPN; I'd rather the customer had to negotiate with ESPN. The business that I'm in is not buying and selling content; the business that I'm in is delivering content. As long as I can charge for transport, I'm much better off not being in that position where I have to negotiate with ESPN every day.' The best thing for the cable TV business is to kill the TV business."

But Moffett said that model depends on cable's ability to keep transport costs relatively stable. And that could mean moving to a usage-based broadband environment, which he doubts will come to fruition.

Moffett added that, in the past, he believed the cable business would eventually transition to a usage-based model for broadband, but he believes the window for doing that may have closed.

"I'm not entirely sure the window is open," Moffett said. "If they started charging for transport now, Netflix would immediately argue [they] are disadvantaging [its] business."

Speaking of Netflix, Moffett said he sees a day coming when the over-the-top provider becomes a takeover target, most likely by online retailer Amazon, which has made its own forays into over-the-top video with Amazon Prime.

"They [Amazon] are the right ones to watch," Moffett said. "Somebody will come along and buy Netflix, and if I had to guess who's the most likely buyer, to me it's probably Amazon. You at least have to pay attention to Amazon because they have tons of money, a very, very long-term time horizon and, therefore, they can be really disruptive."

# Stations See No Over The Top Retrans Threat

BY JON LAFAYETTE

NEW YORK — The notion that multichannel-video distributors might create an Aereo-like service isn't likely to disrupt the growth of retransmission-consent payments, according to a panel of broadcasters.

"I'm not concerned about Aereo having an impact on retransmission during anyone's investing or planning horizon," John Hane, a communications lawyer at Pilsbury Winthrop Shaw Pittman, said on a panel at the "TV on Wall Street" event here.

Even if Aereo's service for transmitting broadcast signals over the Internet is ruled to be legal, Hane said, cable and satellite distributors are not set up to distribute programming that way. "I don't see this as something viable," he said.

Perry Sook, CEO of Nexstar Broadcasting Group, said that while he would defend against Aereo if it entered one of the markets in which he owns a station, he's not overly concerned about it.

"What is the total number of subscribers?" he asked. "There may be more people in this room than Aereo subscribers. We spend a lot of time talking about them with analysts and reporters, but internally we spend no time worrying about it."

The growing stream of retransmission revenue has revitalized broadcast, Sook said. But he said a disparity remains between "what we're being paid as part of the cable package versus what we're worth," based on viewership. In the average market, stations account for about 35% of viewing, but get only 5% of what cable networks get. He projected monthly fees of $4 to $5 per subscriber.

Hane said negotiations are not based on viewership. Instead they're based on a calculation of how many viewers the cable operator would lose if they blacked out the stations.

Some of that retrans revenue gets to be shared with networks, which are now getting reverse compensation from stations. While negotiations between stations and networks may get testy, the relationship is stable right now, according to Sook.

"I don't think the networks are interested in having a bankrupt affiliate group," he said.

*Jon Lafayette is business editor of* B&C.

# Twitter's a TV 'Force Multiplier'

BY KENT GIBBONS

NEW YORK — Laughing at a sitcom on TV, tweeting about it at the same time and hearing from other people also enjoying the show makes it funnier, and more valuable.

JOHN STALEY

Twitter chief media scientist Deb Roy talked about the Twitter Amplify product at the "State of Television" event.

That's the value proposition Twitter has for the television business, the social-media provider's chief media scientist, Deb Roy, said at a "State of Television" session last week.

"So, you can think of Twitter as a force multiplier for television," Roy said, summing up a 30-minute presentation that included a pitch for the upcoming Twitter Amplify service that networks will use to send TV clips (with pre-roll ads) via tweets to users' mobile phones.

Think of that archetypal, pre-television shared visual experience of watching a sunset, he said. Describing it to someone you're seeing it with can focus that other person's attention on aspects of it and make it more memorable. A similar effect can happen when watching a basketball game on TV and describing it to others and hearing their responses. And if you are not watching the game, but see and hear people talking about it on Twitter, you are more likely to tune in yourself, Roy said.

Nielsen and Twitter recently found an uptick in tune-in activity to live TV related to tweets about the shows.

"Rather than broadcasting to a silent audience, I am now going to broadcast to a networked audience," Roy said. "And that audience network finds my comedy funnier. So the value of my content just went up."

He cited a variation on the equation force equals mass times acceleration. Force of message, he said, equals mass of medium times social acceleration.

HD MULTIMEDIOS TELEVISION

100% FAMILY, 100% ORIGINAL, 100% MEXICAN
SPANISH-LANGUAGE TELEVISION NETWORKS
Targeting the largest Hispanic demographic
From Coast-to-Coast

Entertainment for the entire family... game shows, kids shows, women, music, sports and some of the most tweeted reality shows on Mexican TV!

MILENIO HD
TELEVISIÓN
HISTORY IN REAL TIME

The most watched cable and satellite TV news network in Mexico!

With up-to-the-minute breaking news, sports, business, politics and entertainment.

Teleritmo, the only regional mexican music network based in Monterrey, Mexico the capital of regional mexican music

Contact: usa@multimedios.com

Featuring Live Concerts, Exclusive Behind-the-Scenes of Regional Mexican Music Super-Stars and Top Ten Video Count Downs!

# AMC's Carroll: Tech Makes Viewers Pickier

## AUDIENCE HABITS HAVE BEEN CHANGED BY CHOICE

BY MIKE REYNOLDS

JOHN STALEY

AMC's Ed Carroll: Viewers now "test our resolve as programmers."

NEW YORK — AMC Networks chief operating officer Ed Carroll ran through a brief Nielsen history last week, starting back in the Don Draper days of 1964, when Nielsen counted only 53 million homes and *Bonanza* holstered the top spot in primetime with some 20 million weekly households.

That elite-show level was maintained by *All in the Family* and *Seinfeld* over the decades that followed, even as the U.S. TV universe expanded. It wasn't until 2005, when *CSI: Crime Scene Investigation* had some 18 million households and *American Idol* had 17 million, that numbers began to drop, even with the number of U.S. TV homes reaching 110 million.

In the current season, with 115 million homes, CBS's *NCIS* leads the way in some 14 million households, while NBC's *Sunday Night Football* and AMC's *The Walking Dead* are setting the demo pace with 10 million adult viewers 18-to-49.

Despite disruptive technologies, Carroll said on a keynote panel here last week, Americans have increased their weekly TV use. Still, DVRs, video on demand, TV Everywhere and over-the-top offerings are enabling viewers to screen episodes when and where they want.

These choices, Carroll contended, have improved the overall quality of the medium, paving the way for "more complex, more ambiguous, serial storytelling" and displacing procedurals and closed-end installments previously favored by franchises like *CSI* and *Law & Order*.

As such, the proliferation of cable video on demand and subscription video on demand has freshened storytelling overall and inspired more passionate fan bases. Conversely, these technological advances have made for more discerning audiences that "test our resolve as programmers," Carroll said.

With so much product, it's often tough to gain notice, particularly with dramas, as viewers decide whether to make a commitment to a new series. Patience, Carroll said, is required, especially with upscale audiences that are not necessarily willing to invest their time until they hear good things about a show, and sometimes wait a half season before tuning in. Others elect to sit out an entire season before catching up or until they discover that a second season has been ordered. "Technology has made viewers much more discerning," he said.

# DirecTV's White Wistful About Not Buying Hulu

BY JILL GOLDSMITH

NEW YORK — DirecTV CEO Mike White said he wishes the company's bid to buy Hulu had succeeded, but he's open to other deals.

"It was a unique opportunity," he said at NYC Television Week here. Unfortunately, there aren't many broad-based, general-distribution, over-the-top companies for sale, he said. "But I look at a lot of things."

JOHN STALEY

DirecTV's Mike White said buying Hulu was "a unique opportunity" that came and went.

"We thought [Hulu] was a unique opportunity to serve millennials and we thought we could do something with it," he told *Multichannel News* editor in chief Mark Robichaux. "We knew there were some things that need to be fixed. We had a plan."

Hulu's owners, The Walt Disney Co., Twenty-First Century Fox and Comcast, opted to take it off the auction block last summer and instead bolster it with $750 million in new capital.

Meanwhile, White continues to fly the flag for an urgent need to keep distribution costs in check. Retransmission costs rose 50% this year, he said. Programming costs are way up, led by sports, which is growing by double digits. The industry "can't raise prices 8-to-10% a year forever. It's not sustainable," he said.

The answer isn't selling programming on an a la carte basis. "But we need to create smaller bundles, or some greater flexibility for the consumers to have some say over the most expensive programming."

He and other operators have been saying this for years. So how? "Only if distributors can somehow stand up and have the courage to call into question a couple of cases," White said. "It's not going to happen overnight. The consumer is not happy."

# Retrans Riches Follow Good Local Content

BY MICHAEL MALONE

NEW YORK — Duopolies — virtual and actual — are essential to the TV-station business and do not decrease the number of news voices in the community, said some local TV chiefs in the NYC Television Week panel "The Rush to Buy Local: What's Really Going on Here?"

Such shared service arrangements help put local news on stations that otherwise may not air it, some panelists said.

"It's really improving the accessibility to news and information for consumers that otherwise wouldn't have the opportunity," Randy Bongarten, chairman and CEO of Bonten Media, said.

The notion that more owners means more diversity is a "fallacy," said Bongarten, who added that going through the regulatory hoops required of virtual duopolies is a "waste of everyone's time."

The panelists said they believed stations will see a more equitable split of retransmission cash from the video distributors they partner with. "There's probably going to be a shakeout occurring in the next few years," said Bill Hoffman, Cox Media Group president, with stations getting paid more in line with the level of viewership they are delivering.

That will give TV stations more resources to produce local news. "If you're a No. 3 in the market, providing news is a tough situation," said Deborah McDermott, Young Broadcasting president/CEO and new *B&C* Hall of Fame inductee. "Retrans can help."

Hoffman stressed that the best way to command substantial retrans cash is to make your local content second to none. "What are you doing to super-invest in your community," he posited, "so that you're impossible to live without?"

*Michael Malone is deputy editor of* B&C.

## JUDGES

**Cristina Saralegui**
Journalist and Television Personality
Host of "Cristina Entre Amigos" on Cristina Radio/SiriusXM channel 153.

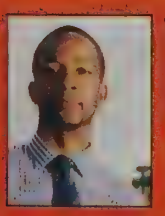
**Rev. Dr. Calvin O. Butts, III**
Pastor, Abyssinian Baptist Church in New York City
President, State University of New York at Old Westbury

**Ambassador Sandra Fuentes-Berain**
Consul General of Mexico in New York

**Eliot Kang**
Founder of Asian American agency, Kang & Lee
CEO of INMOST Partners LLC

**Anjula Acharia Bath**
CEO
Desi Hits!

**Dave Montez**
Acting President of GLAAD

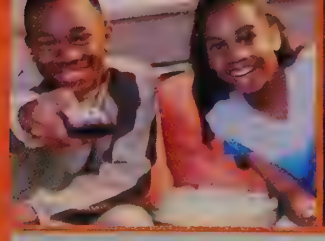
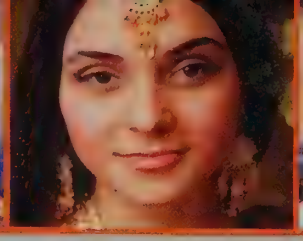


**Wade Davis**
Former Pro Football Player
Executive Director,
*You Can Play Project*

**Pepper Miller**
Co-author, "What's Black About It"
Author, "Black Still Matters in Marketing"
President, Hunter-Miller Group

**Bob Kumaki**
Author, "Many Cultures One Market: A Guide to Understanding Opportunities in The Asian Pacific Market" Managing Principal, The Ronin Group

**Rabbi Dr. Marc A. Gellman, Ph.D.**
Syndicated Columnist
Senior Rabbi of Temple Beth Torah
Melville, Long island

# MULTICULTURAL TV SUMMIT & LEADERSHIP AWARDS

**FEBRUARY 4, 2014 • NYC**

## Do you know a Multicultural TV executive who stands out from the rest?

***Broadcasting & Cable*** **and** ***Multichannel News*** **have announced the call for entries for the 2014 Multicultural TV Leadership Awards.**

**These awards recognize executives in 10 categories, each of which celebrates the achievements of those in the business of television and video intended for multicultural audiences. The Multicultural TV business serves audiences by ethnicity, nationality, region, religious affiliation, gender or LGBT lifestyle.**

**The candidates are scored by a panel of noted and impartial judges.**

**The Multicultural TV Leadership Awards will be presented at a luncheon ceremony at the Grand Hyatt New York during the Multicultural TV Summit on February 4, 2014.**

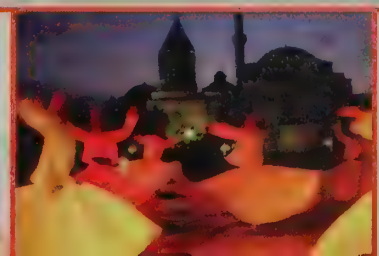
## The deadline is now extended to Friday, November 15, 2013.

**GO TO MULTICULTURALTVSUMMIT.COM TO SUBMIT YOUR CANDIDATE NOW.**

PRESENTED BY:

B&C Broadcasting & Cable · Multichannel News

This event is produced by Schramm Marketing Group on behalf of *B&C* and *Multichannel News*



# TROLLS TURN TO CABLE TV

## PATENT ATTACKS EXPAND WITH INDUSTRY'S RELIANCE ON TECHNOLOGY

BY GARY ARLEN

For the past two years, Cox Communications has spent hundreds of thousands of dollars fending off a lawsuit involving a fingernail-sized microchip that the MSO uses in its data services.

Cox, AT&T and five other distributors have been distracted by this infringement lawsuit, which seeks patent licensing fees based on data usage involving tiny photonic integrated circuits used to deliver Internet service to millions of subscribers over a six-year period.

The suit, from Yorba Linda, Calif.-based Cambrian Science Corp., is part of a new wave of patent litigation aimed at cable operators and other technology users, rather than equipment vendors, the traditional target of such actions.

**TAKEAWAY**

"Patent trolls" are increasingly targeting the largest cable operators and their subscribers as the FTC launches an examination and Congress steps up reform efforts.

In legal parlance, Cambrian is a "non-practicing entity," or NPE. To cable operators and other big tech firms, NPEs have a more familiar name: patent trolls.

In the last five years, the top five cable operators have faced roughly 200 patent-infringement suits costing millions of dollars in legal fees. Overall, media companies may spend up to $5 billion this year to fend off trolls, also known as "patent-assertion entities," or PAEs. Congress has also ramped up its role, with omnibus patent troll legislation introduced in the House and Senate during the past two weeks.

Several analysts expect that cable's increasing reliance on software and its move to cloud delivery will create more targets for troll attacks on operators as technology users.

Another wave of legal assaults against cable operators is brewing, according to communications attorneys who requested anonymity. Rockstar Consortium, an NPE that paid $4.5 billion in 2011 for the Nortel Networks patent portfolio, has contacted cable operators threatening to sue for patent infringement, legal experts familiar with the situation said. Rockstar, jointly owned by Apple, Microsoft, Blackberry, Ericsson, Sony and EMC Corp., may have better heritage than other so-called trolls, but its strong-arm approach to cable operators will be just as threatening and costly, attorneys said.

Patent attorney David Long: NPEs want to "get some running royalty" from MSOs.

American Cable Association president Matt Polka recalled a recent "patent predator" assault that affected many of his trade group's small, independent members as well as "larger MSOs."

"The threat of patent trolls is a huge concern for our members," Polka said, citing recent litigation in which Acacia Media alleged that cable operators violated "a patented process for delivery of digital signals" that Acacia had acquired. Operators "were threatened with litigation if they didn't pay up and agree to Acacia's alleged extortion — 'license agreement,' as they called it," Polka recalled, noting that the case dragged on for nearly three years.

"A number of [operators] did agree to pay, unfortunately, to avoid the litigation costs," he adds, declining to identify the cable companies. Eventually, "Acacia lost some pending cases and, as a result, lost some steam, but the agreements ... are still good and they are still getting paid." Polka voiced concern that "other opportunistic patent trolls" could launch similar assaults.

"The threat by these trolls is the cost of litigation and costs of extorted settlements that take away the means for our members to launch more significant digital and broadband services," Polka said. Such threats are behind ACA's support of "legislative, regulatory or administrative efforts to limit the ability of patent trolls ... to strong-arm our members."

Cisco Systems counsel Mark Chandler called the patent-troll lawsuits a "tax."

The latest acceleration was NPE Custom Technologies's August patent assault on the broad "on-demand presentation" systems used by cable operators. Custom Technologies challenged Comcast, Cox and Charter Communications, among other multichannel video-programming distributors.

Cambrian Scientific's pursuit of Cox is typical of a new trend, as NPEs and PAEs go after sources of ongoing revenue — communications carriers, in these cases — rather than one-time payments from vendors to settle technology licenses.

David Long, a patent specialist at Kelley Drye & Warren who represents Cox in this case, noted that the technology encompasses voice, video and data communications services — all of which are troll targets.

"MSOs traditionally were not targets because they generally do not develop technology themselves, they just purchase it from a vendor," Long said.

Legitimate vendors would normally "leave their MSO customers out of patent suits," he added. But "non-innovating, non-practicing patent assertion entities" have no qualms about suing technology users.

"Rather than go after equipment vendors in which a licensing fee or damages award would be a one-time payment based on the cost of the equipment," Long said, PAEs and NPEs "prefer to go after the MSO that purchased the equipment and get some running royalty based on a percentage of the revenue generated from using the equipment."

### KEEPING QUIET

Despite the increasing attacks, many cable-industry officials and organizations are loath to discuss the festering patent-troll situation. They cite factors ranging from confidentiality to concerns that Wall Street may downgrade the cable industry if the patent attacks become more frequent.

The National Cable & Telecommunications Association and CableLabs — two industry groups involved in regulatory and legislative strategies to stem the troll assaults — declined to comment for this report.

One view commonly held by attorneys who asked not to be quoted is that "one man's 'troll' is another person's hero." PAEs, NPEs and "Patent Monetization Entities" (PAEs) —

Patent Trolls Have Grown Into
PATENT MONSTERS
$13.7 BILLION*
2009
$29.2 BILLION*
2011
It's time to CLUB THE TROLLS!
Innovative American companies are increasingly under fire from "patent trolls"—entities that do not make or invent product
but simply sue those who do. These trolls, called Patent Assertion Entities (PAE), are legal extortionists, sapping time and m
from American companies. Their lawsuits have doubled in two years and now account for most U.S. patent lawsuits!
There are several bills now being considered in the House and Senate that would take reasonable steps to stop the trolls' toll
on American jobs and innovation. Enact Sensible Patent Reform Today!
The Innovation Movement
DeclareInnovation.com

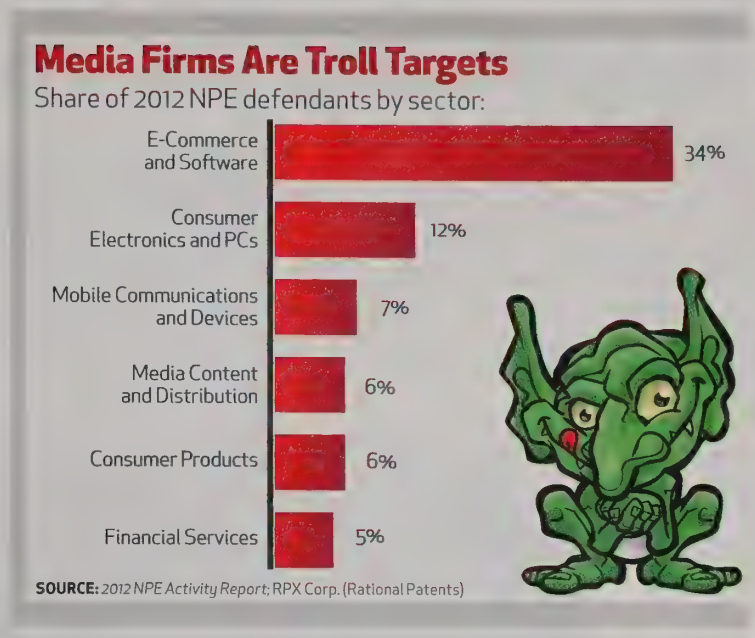
The Consumer Electronics Association returns fire at trolls in prin

another recently coined phrase — claim to be the saviors of small investors and creative innovators who deserve financial rewards for infringement by global corporations.

Whatever the rationale, there is no question that PAE suits against cable firms have required significant, costly attention. Since 2008, MSOs have become enmeshed in hundreds of patent-related lawsuits. According to the Westlaw database of patent proceedings, Comcast has been involved in 48 such cases (five in 2013 so far); Time Warner Cable has faced 31; Charter Communications 34; and Cablevision Systems 16. Cox Communications ranks first, involved in 72 patent cases since 2008.

Overall, media companies last year faced just slightly fewer lawsuits than the highly contentious "mobile communications and devices" sector, according to the *2012 NPE Activity Report* compiled by RPX, a San Francisco firm specializing in patent research and litigation.

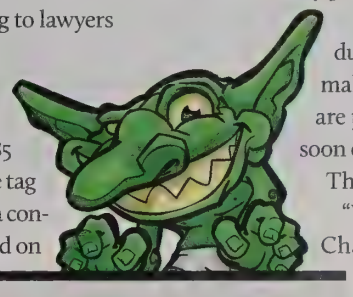
Most of the cases are brought by NPEs and PAEs, which acquire underutilized patents and then seek payments from operating companies that use technology or systems which, they claim, are covered by them.




Although it's impossible to know which patents the trolls are hoarding, the past few years have shown that such outfits will go after any target they can find. Despite a new Federal Trade Commission investigation into PAE activities launched last month, the litigation-minded trolls have plenty of opportunities to continue their attacks and are unlikely to back off since they have almost nothing to lose, according to lawyers involved with cable firms under attack.

Companies and law firms decline to put a precise cost on cable patent litigation and settlements; many such cases are sealed.

Overall, these patent attacks may cost the media industry nearly $5 billion this year, based on research that puts an $80 billion annual price tag on patent suits overall and indicates that 6% of the cases involve "media content and distribution" firms. (The $5 billion figure is an estimate based on the vastly different sums paid in various sectors to handle the patent cases, but represents a reasonable range, according to knowledgeable observers.)



## COST FOR CABLE COMPANIES

Paperwork is a major expense for cable companies defending against NPE. For example, in its suit against Cox and others, Cambrian Science claimed that "getting billing statements was 'critical' to their case," Long said. Compiling such billing information, then redacting customers' personal data, would have been extraordinarily costly for the defense, Long said.

After extended legal maneuvers in late 2012 and early this year, the U.S. District Court for the Central District of California in Los Angeles ruled that Cox and other providers did not have to produce that billing minutiae, despite Cambrian Science's insistence that such data was essential for its damages model.

Cambrian was fishing for anything it could get, Long said, using a common NPE tactic: Making the cost of defense so expensive that carrriers would find it cheaper to pay Cambrian to go away.

"NPEs don't have the restraint that practicing entities would have," Long said. "They want to be able to throw a big dollar figure in front of a jury and say, 'We just want a small portion.' " Moreover, non-producing companies such as Cambrian Science can request overly burdensome discovery without "having to worry about responding in kind," he noted.

"They are not looking to enter business relationships with the target company," Long said. "Their only business goal is to maximize financial return on the patent — take the money and run.

"Litigation is not disruptive to their business because litigation is their business," he added. "In contrast, a target operating company, such as an MSO, may have thousands and thousands of documents and many witnesses."

Long calls such litigation "a distraction" from the operating company's core business, as well as a major expense.

Mark Chandler, general counsel of frequent troll target Cisco Systems, took it a step farther. He called the NPE lawsuits a "tax" because they are "an extraction that is unrelated to any product that is provided."

"If you can credibly tax an end user of a service that includes a semiconductor, you can get more money than if you sue the company that actually makes the semiconductor," Chandler said. "The bad news is that these suits are proliferating; the good news is that the courts have caught on" and may soon curtail egregious suits.

The attacks on MSOs have upped the ante for vendors such as Cisco.

"We have a number of cases in which we're indemnifying customers," Chandler said, underscoring the extended financial impact of the PAE's attacks on the cable industry.

## MSOs Under Attack

**Among the most recent patent troll attacks on cable companies:**

▶ **Custom Media Technologies LLC** has accused **Comcast**, **Cox Communications**, **Charter Communications**, **AT&T** and **DirecTV** of violating a patent on distribution of customized video-on-demand and audio presentations. Custom Media seeks a "reasonable royalty" plus other damages. It claims that the patents which it acquired cover presentations of "on demand" content from a centralized location delivered via cable networks, the Internet, a broadcast TV network or a satellite system in a bandwidth-efficient manner.

▶ **Brilliant Optical Solutions LLC** sued **Comcast**, **Time Warner Cable**, **Cox** and others for infringing on a "fiber-optic information-transmission system" patent filed in 1996 by a now-deceased inventor. Brilliant is a subsidiary of Acacia Research of Newport Beach, Calif. Acacia and its subsidiaries filed 212 patent suits last year.
Both cases are in early-stage litigation.

*— Gary Arlen*

## WASHINGTON STEPS IN

As cable operators fend off patent attacks in court, Washington is accelerating efforts to curb abuses. At least a half-dozen patent-reform bills are moving through Congress; the Federal Trade Commission has launched an investigation into PAE practices; and the White House and Government Accountability Office have also weighed in.

In late September, the FTC initiated an investigation of 25 PAEs, seeking to "better understand how they impact innovation and competition." The agency's examination surfaced barely a month after the GAO recommended in its report Intellectual Property: Assessing Factors That Affect Patent Infringement Litigation Could Help Improve Patent Quality" that the U.S. Patent and Trademark office "improve patent quality and examination" procedures to reduce abusive lawsuits.

In early June, the Obama Administration issued a five-point "Patent Assertion and U.S. Innovation" report to improve incentives for "future innovation in high-tech patents." The White House plan also seeks to curb abusive patent litigation.

Congressional anti-troll action has accelerated. Last week, Sen. Orrin Hatch (R-Utah) introduced the Patent Litigation Integrity Act, a companion to Rep. Bob Goodlatte's (R-Va.) bill introduced a week earlier that would make it harder for PAEs to attack legitimate businesses. For example, Goodlatte's plan would protect "covered customers" (such as cable operators) from being drawn into infringements suits against manufacturers. The proposal would also require PAEs to specify infringement claims, rather than broad fishing expeditions, and would require PAEs to bear court and attorney costs if they lose the suit. Such approaches would be disincentives for frivolous suits, supporters have claimed.

Cisco's Chandler said he sees "more momentum for patent reform than in the past half decade" and expects Congress to act as a "broad swath of customers [are] now affected" by patent abuses." ○

# Sating Appetites for Two Decades

## FOOD NETWORK'S BROOKE JOHNSON ON THE CHANNEL'S RECIPE FOR SUCCESS

Scripps Networks Interactive's Food Network has cooked up 20 years of cable success, from its early years featuring cooking shows from top chefs like Emeril Lagasse, Bobby Flay and Rachael Ray to today's food-based competition and reality series like *Iron Chef* and *Restaurant Impossible*. Food Network president Brooke Johnson talked with *Multichannel News* programming editor R. Thomas Umstead about the network's recipe for success both in cable TV and digital media.

The judges of competition show *Chopped* (l. to r.): Scott Conant, Alex Guarnaschelli and Geoffrey Zakarian, with host Ted Allen (far r.).

**MCN: How much has Food Network revolutionized how we watch food-themed content on the small screen?**

**Brooke Johnson:** It's been an amazing story. I have only been here for a little over 10 years and so I've only seen half the time the network has been around. But I remember when it launched and everybody had raised eyebrows about it ... why would anyone want to watch a 24-hour network devoted to food? And now, of course, 20 years later, it seems like the most common, obvious thing — why didn't everybody else think of it?

**MCN: Food-themed programs have always been on TV, but what was Food Network able to do positively and successfully to get people watching on a 24-hour basis?**

**BJ:** Well, I think there are a few factors. One is personality. The network has always been blessed with incredible personality, starting with Emeril Lagasse, Bobby Flay, Rachel Ray, Alton Brown, Giada De Laurentiis, Ina Garten, etc. So I think people probably didn't realize the power of personality, and that food is so much about people and sharing things with people.

Chefs and cooks are just fantastic people — they're generous, they're gregarious and they're fun people to be around. I think timing is part of it, too. I think there were changes going on in the macro environment, the availability of more interesting ingredients, etc. I think the Food Network just captured the zeitgeist at the right time, right place when people just discovered what real fun and interesting and entertaining, satisfying, positive for your family thing food is.

**MCN: Food Network was also one of the first networks to meld what was on TV to what was being offered on the network's website. What role has digital media played in the development and building of the Food Network brand?**

**BJ:** I think it's been incredibly important. I will credit Scripps Networks because right from the beginning, 20 years ago, they had a call center. They had people who would answer people's questions because they thought that was important. They were really committed to viewer engagement, to doing the right thing by people that were watching either Food Network or HGTV. And then of course, when the Internet came along, it was just a natural thing to move into that. Our website is huge — something like 30 million uniques — and it originally started as the place where you could get the recipe so you didn't have to write it down while you were watching TV. It seems like a small thing, but it made it easier to watch so you didn't have to put the recipe up on the screen. So that's what it started as but now, I mean, it's so much more than that. Billions of articles, food encyclopedia, everything you could possibly want to know about food, as well as videos. So it's a huge part of our brand.

It also helped us show that we were a real brand, we weren't just a television network. The Food Network stood for something. Of course, the website and the network were backed up by our culinary department, which were 30 chefs that worked on recipes and on the shows. So we actually knew what we were talking about, which I think helped, too.

**MCN: You mentioned earlier that the network started out more personality-driven. Food has evolved over the years and now it seems like there is more of a focus on competition and reality content. Talk about the evolution of the on-air programming.**

**BJ:** Well again, I wasn't here in the early days, but I believe it was dominated by pure cooking shows. I've heard stories of the early days, cooking on burners in office buildings, and then gradually they expanded beyond that with shows that were on location.

When I came here, there were a lot of shows of people going around the country, learning interesting things about food, and we still do that. I can't imagine we won't always do that. I don't think there [were] any competition [food shows] on the air 10 years ago.

*"I think people probably didn't realize the power of personality, and that food is so much about people and sharing things with people."*

BROOKE JOHNSON, FOOD NETWORK

*Iron Chef* was the first one that I remember. That came about because *Iron Chef Japan* was doing really well and someone had the really breakthrough idea maybe it would do even better if it were in English. So that started *Iron Chef America*, which really started the crazy of food competitions, which regretfully you see in many places in television right now.

**MCN: So over the 10 years that you've been there, has the competition you speak of in the food genre forced Food Network to adjust its programming strategy?**

**BJ:** It has. [Competition] has probably driven costs up a little bit more than was absolutely necessary. It's hard to find a lot of pluses, but the plus is it does keep us on our toes. We never sit back and go, "Boy, we're the only game in town, we can do anything we want." We have to keep innovating. I mean, we probably would anyway, but frankly it demands innovation on our part. Obviously it shows the power of the genre that everyone keeps doing it.

**MCN: If you were to take out your crystal ball and look ahead, how do you see your efforts to push the Food Network brand going forward and how do you see the marketplace changing?**

**BJ:** Well I don't see the main television marketplace changing all that much, even though there's so much concern about over the top and all of that. I'm much more bullish on the future of cable television than the trade and even consumer press would lead you to believe. I have two millennial children in their early 20s and they love television. One has cable, one doesn't. The difference is one can afford it and one can't. As soon as they can afford it, I think they'll go to television. And I think that strong brands like ours will continue to thrive. And even in a more fragmented world, which is certainly coming over the long horizon, I think that strong brands continue to thrive.

# Strong Leadership
IN THE MIDST OF CONSTANT CHANGE

# Distinguished Women
OF THE BETSY MAGNESS LEADERSHIP INSTITUTE

BMLI

# Betsy Magness

## CLASS 28

**Makesha Benson**, VP, Retention Channel Marketing, Comcast
**Annemarie Bray**, VP, Human Resources, Viacom Inc.
**Andrea Ching**, SVP, Marketing & Promotions, CNN & Turner
Digital Ad Sales, Turner Broadcasting System, Inc.
**Loren Cooper**, SVP, Finance, Turner Broadcasting System, Inc.
**Kim Dickson**, VP, Enterprise Operations, Time Warner Cable Media
**Lisa DiCocco-Newman**, VP, Care Learning and Development, Comcast
**Jaime Dictenberg**, VP, Consumer Marketing, Viacom - Nickelodeon
**Patty Donaldson**, Regional Sales Manager, Cisco Systems, Inc.
**Amy Doyle**, EVP, Music & Talent Programming Strategy, MTV Brands
**Sarah Gustashaw**, VP, Finance, Comcast
**Michelle James**, Senior Director, 360 Consumer Marketing &
Brand Strategy, Black Entertainment Television
**Tina Lee**, Senior Director, Project Management, Comcast
**Michelle Luecal**, VP, Talent/Organizational Development,
Suddenlink Communications
**Karen McCague**, VP, Workforce Services, Scripps Networks Interactive
**Judy McCool**, VP, Legal Affairs, HBO, Inc.
**Marti Moore**, VP, Technology Services, Charter Communications
**Pamela Murrin**, GVP, Marketing Analytics & Insights,
Time Warner Cable
**Andrea Nelson**, Director, Human Resources,
Suddenlink Communications
**Ingrid Nelson**, Regional VP, Comcast Spotlight
**Tracy Powell**, VP, Distribution Marketing, A+E Networks
**Missy Ryan**, General Manager, Cable One
**Jaime Saberito**, VP, Corporate Communications, AMC Networks Inc.
**Barbara Singer**, VP, Advertiser Insights & Strategy, ESPN
**Meghan Squire**, Executive Director, Content Acquistion,
Comcast Cable
**Laurie Sutherland**, VP, Information Technology, Comcast
**Chandni Thakrar-Ochoa**, Senior Director,
Technology Integration, Suddenlink Communications
**Leigh Woisard**, VP, Public Affairs, Cox Communications

## CLASS 29

**Jerilyn Bliss**, VP, Corporate Communications,
Scripps Networks Interactive
**Samantha Callahan**, VP, Human Resources, Comcast
**Kathy Carrington**, SVP, Corporate Services, Charter Communications
**Barbara Cowan**, Executive Director, Talent, Comcast Spotlight
**Mary Donahue**, SVP, Reality, A+E Networks
**Nanci Doucet**, Division Marketing Director, Southeast, Cable ONE
**Julie Dunn**, VP, Brand Revenue & Account Management,
Turner Network Sales, Inc.
**Minnie Hardcastle**, Director, Learning & Organizational Development,
Suddenlink Communications
**Thao Hoang**, VP, Content Distribution & Marketing,
Viacom Media Networks
**Erin Lorenz**, Senior Director, IT, CAO Technology,
Suddenlink Communications
**Milinda Martin**, VP, Community Investment, Time Warner Cable
**Susanne Mei**, VP, Business Development, Sundance Selects / IFC Films
**Kelly Percin**, Senior Director, National Engineering &
Technical Operations, Comcast
**Amanda Phillips**, VP, Consumer Marketing, CMT/Viacom Media
**Audre Pierce**, VP, Human Resources, Comcast
**Maria Popo**, President & Chief Business Officer, Ubee Interactive, Inc.
**Nicole Priem**, SVP, Sponsorship Solutions, Turner Broadcasting
**Kelle Salter**, GVP, Order Operations,
Time Warner Cable Business Services
**Jennifer Sobel**, VP, Finance, NBCUniversal Content Distribution
**Donna Stalworth**, VP, Digital Products (QA & Infrastructure), HBO
**Toni Stubbs**, VP, Technology, Engineering & Operations,
Cox Communications
**Regina Thomas**, VP, Original Programming, BET Networks
**Patricia Thorell**, VP, Payment Processing, Comcast Cable Communications
**Janet Uthman**, VP, Sales & Marketing,
Western New England Region, Comcast
**Lisa Valentino**, SVP, Multimedia Sales, ESPN
**Linda Wokoun**, VP, Sales Strategy & Channel Development,
Bright House Networks
**Susan Zieger**, VP, Payroll Services, Viacom International Inc.

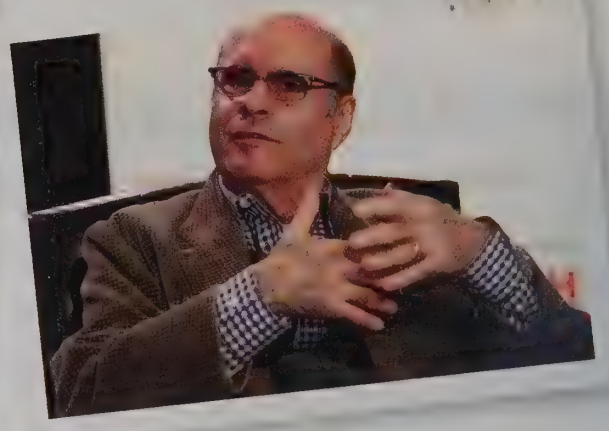
Women in Cable Telecommunications℠

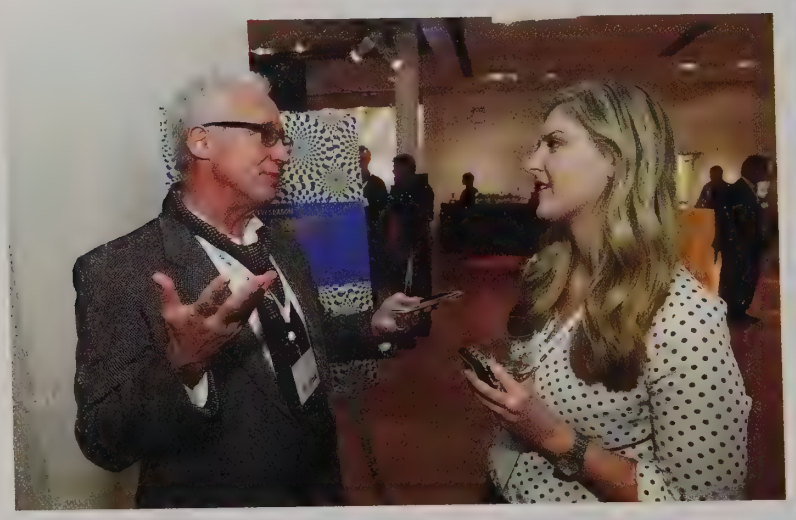
WICT RECOGNIZES TIME WARNER CABLE - THE PREMIER SPONSOR
OF THE BETSY MAGNESS LEADERSHIP INSTITUTE.
Time Warner Cable
SUPPORTING SPONSOR suddenlink

NYC TELEVISIONWEEK
OCTOBER 28-30, 2013

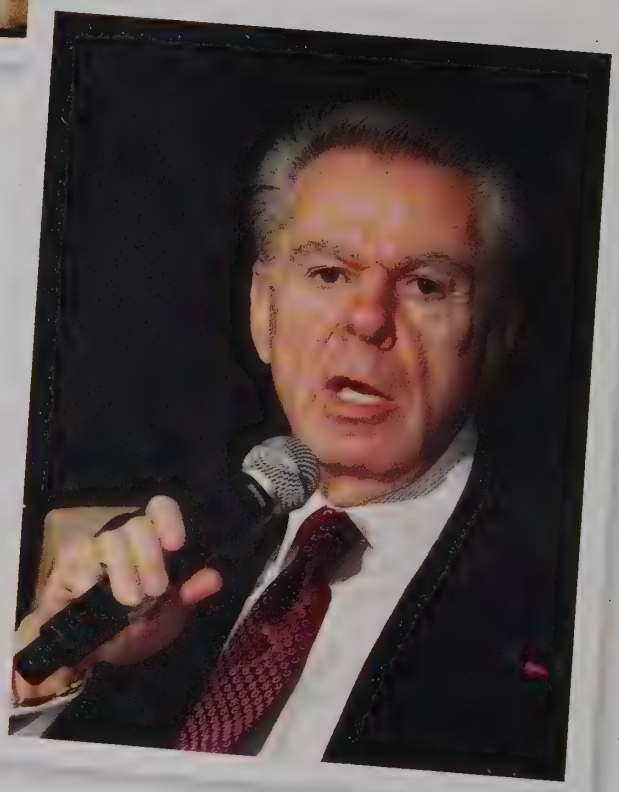
*Multichannel News* editor in chief **Mark Robichaux** (l.) interviews NBA commissioner **David Stern** as his 30-year tenure winds down.

**Clyde Phillips** of Showtime's *Nurse Jackie* takes part in the NYC Television Week Showrunners' Panel.





**Peter Crosby** (l.) of Dotsub.com and **Julie Frazier**, National Geographic Channels.



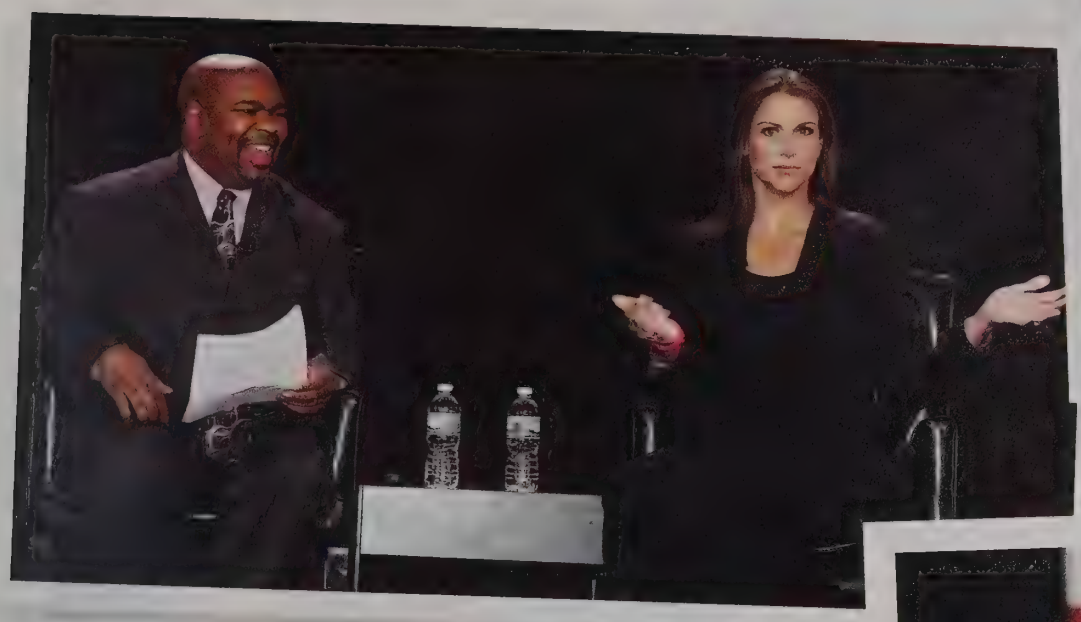
GroupM Worldwide chairman **Irwin Gotlieb** assesses the "State of Advertising."

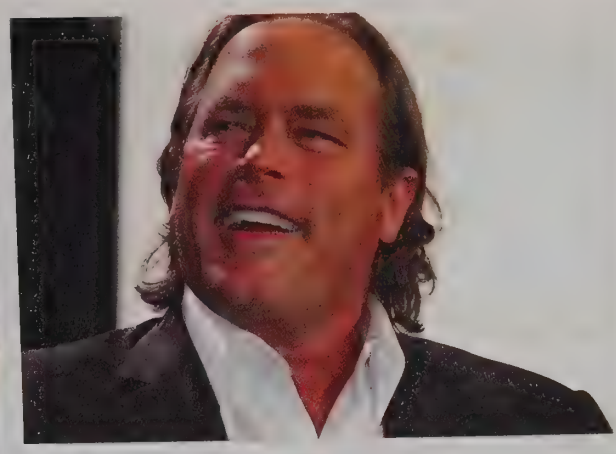
At the cocktail hour (l. to r.): **Laura Emmer**, DirecTV; **Eric Weinstein**, Istream Planet; and **James Walsh**, DirecTV.

**Jason Silva**, host of National Geographic Channel's *Brain Games*, delivers a keynote on "Engage Your Brain Programming."

NYC TELEVISIONWEEK
OCTOBER 28-30, 2013

**R. Thomas Umstead** (l.), programming editor of *Multichannel News*, interviews World Wrestling Entertainment executive VP, creative development and operations **Stephanie McMahon**.





Sony Pictures Television president **Steve Mosko** was an opening keynoter at the TV Summit.

Telemundo Media chief operating officer **Jacqueline Hernandez** delivers a keynote address.

Talking cable-network startups (l. to r.): **Christopher Balfe**, CEO, TheBlaze; **Keith Clinkscales**, CEO, Revolt Media; and **Evan Shapiro**, president, Pivot.

Magician **Max Darwin** (r.) performs for NYC Television Week attendees.

NAB CEO **Gordon Smith** (l,), moderator **John Eggerton** of *MCN/B&C*, and NCTA CEO **Michael Powell** engage in a rare broadcast/cable trade group sit-down during the "State of TV" event.

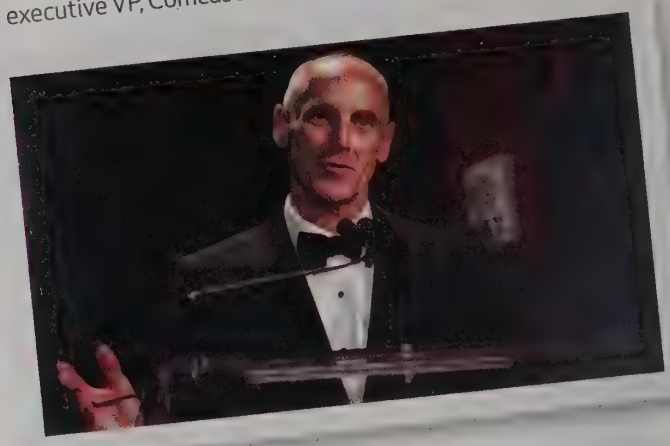
**SUBMISSIONS:** Send your most recent press photos, with an ID, contact name and telephone number, to: **Michael Demenchuk, *Multichannel News***, 28 E. 28th Street, 12th Floor, New York, N.Y. 10016. Send electronic images (4" X 6" at 300 dpi) via e-mail to: mcnart@nbmedia.com

# B&C Broadcasting & Cable HALL of FAME

***Broadcasting & Cable*, sister publication to *Multichannel News*, honored its 2013 Hall of Fame class at an Oct. 28 gala at New York's Waldorf-Astoria. For a link to more event photos, see multichannel.com/Nov4.**

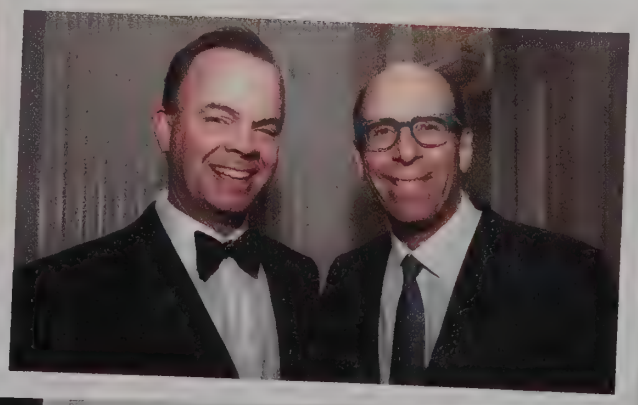
**Bill McGorry** (l.), chairman, B&C Hall of Fame; **Lesley Stahl**, CBS News correspondent, *60 Minutes*, and *B&C* Hall of Fame co-host; honoree **Richard Plepler**, CEO, HBO; and **Louis Hillelson**, VP, group publisher, *B&C and Multichannel News*.

Honoree **Neil Smit**, Comcast Cable president and CEO and executive VP, Comcast.



2012 honoree **David Levy** (l.), president, Turner Broadcasting System; **Tony Taranto**, senior VP, sports sales, CBS; and **Chris Simko**, senior VP, CBS sports sales and marketing, and director of CBS Sports Properties.

2009 honoree **Abbe Raven** (l.), chairman, A+E Networks; **David Zaslav**, president and CEO, Discovery; and new honoree **Jon Feltheimer**, CEO, Lionsgate.



**Ray Hopkins** (l.), president, television networks distribution, CBS, and 2008 honoree **Matthew Blank**, chairman and CEO, Showtime.

**Char Beales** (l.), president and CEO, CTAM, with honoree **Steve Bornstein**, NFL Network president and CEO, and executive VP, NFL Media.

ERIK EKROTH PHOTOGRAPHY

### DISNEY/ESPN

Disney and ESPN Media Networks has elevated **Lauren Morrissey** and **Pete O'Connell** to vice president, affiliate sales. Both had been senior director.

Also, **Kimberly K. Wilson** advanced to vice president, affiliate marketing, at Disney and ESPN Media Networks. She was senior director.

### FOX NETWORKS

**Randy Freer** was tapped as president and chief operating officer at Fox Networks Group. He had been co-president and chief operating officer of Fox Sports Media Group.

### HEMISPHERE

**Nicolas J. Valls** has joined Hemisphere Media Group as executive vice president, advertising sales. He was senior vice president, network sales at Univision Network until last year.

### NUCONTEXT

**Laura Feldman** has joined Los Angeles-based entertainment marketing agency NuContext Creative as director of creative services. She comes from DDB Worldwide in New York, where she was a producer.

### NUVOTV

NUVOtv has added **Sylvia Aguilera-Hart** as vice president, creative director of on-air promotion. She comes from NBCUniversal, where she was VP, on-air promotion.

**DID YOU KNOW?**

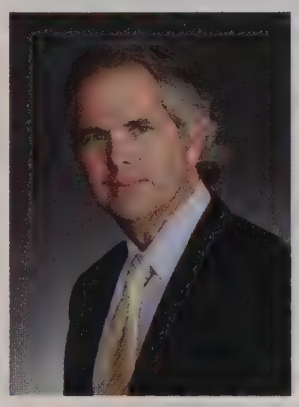
While at NBCUniversal, Sylvia Aguilera-Hart oversaw promotion efforts for the first-ever Olympics broadcast on Telemundo.

### OUTDOOR CHANNEL

Outdoor Channel has named **Steve Smith** as executive vice president, affiliate sales and marketing. He was chief operating officer at MAV TV.

**MORRISSEY** Disney/ESPN

**O'CONNNELL** Disney/ESPN



**FREER** Fox Networks Group

**VALLS** Hemisphere

**FELDMAN** NuContext

**HALLEY** Viacom

Also, **Bill Osborn** has joined Outdoor as senior vice president, marketing. He had been a senior VP at AXS TV.

And **Scott Long** was named vice president, finance, media at the network. He was VP, finance for parent Kroenke Sports Enterprises's media division.

### STARZ

**Melissa Harper** was elevated to senior vice president, original programming production at Starz. She had been VP, production.

Also, **Richter Hartig** advanced to senior vice president, original programming production finance. He has served the company in various programming business roles.

### TLC

**Sandy Varo Jarrell** was named senior vice president, production and development, West Coast at TLC, a new post. She comes from ABC Family, where she was head of unscripted programming and development.

**DID YOU KNOW?**

While at Lifetime, Sandy Varo Jarrell oversaw such unscripted series as *One Born Every Minute*, *Picker Sisters* and *How to Look Good Naked*.

### TVEYES

**Dan Miles** has joined Fairfield, Conn.-based TV online real-time search and indexing firm TVEyes as senior vice president, new business. He comes from Cablevision Systems, where he was director of business development–product management.

### VIACOM

**John Halley** has joined Viacom Media Networks as executive vice president, chief operating officer of Ad Sales. He had been senior VP, ad sales finance and business intelligence.

**SUBMISSIONS:** Send people and calendar items to Michael Demenchuk, *Multichannel News*, 28 E. 28th Street, 12th Floor, New York, N.Y. 10016 or via email to MCNPeople@nbmedia.com.

## CALENDAR

### NOV. 9

New York Women in Communications, Student Communications Career Conference, New York University, 60 Washington Square S., New York, 9 a.m.-5 p.m. $70 student member/$85 student nonmember/$100 young professional. Contact: nepps@kellencompany.com.

### NOV. 13

*Multichannel News/Broadcasting & Cable*, Advanced Advertising, McGraw-Hill Building, 1221 Ave. of the Americas, New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com

### NOV. 19

NewBay Media, Next TV Summit London, British Academy of Film and Television Arts, 195 Picadilly, London. Visit: *nexttvsummitlondon.com*.

### DEC. 5

*Multichannel News/Broadcasting & Cable*, The Business of Multiplatform TV, Roosevelt Hotel, 45 E. 45th St. New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com

### JAN. 7-10, 2014

2014 International CES, Las Vegas Convention Center, 3150 Paradise Rd., Las Vegas. Visit: *cesweb.com*.

### FEB. 4

*Multichannel News/Broadcasting & Cable*, 2014 Multicultural TV Summit & Leadership Awards, 8 a.m.-2:30 p.m., Grand Hyatt, 109 E. 42nd St., New York. Contact: Jennifer Ware, (917) 281-4718 or jware@nbmedia.com.

### FEB. 17-18

Krewe of Louisiana Cable Show, Hotel Monteleone, 214 Royal St., New Orleans. Contact: (225) 387-5960 or lcta@lacable.org.

### FEB. 27

*Multichannel News* and *Broadcasting & Cable*, Advanced Advertising, Grand Hyatt, 109 E. 42nd St., New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com.

### MARCH 2-5

CableLabs, Winter Conference 2014, Marriott Marquis, 1265 Peachtree Center Ave. NE, Atlanta. For more information, visit: *cablelabs.com*.

For more *Multichannel News* events, visit *multichannel.com/events*.

# FCC Gives Cable Time On Rules for TV for Blind

## COMPLIANT DEVICES MUST BE AVAILABLE ON REQUEST

BY JOHN EGGERTON

The Twenty-First Century Communications Video Accessibility Act will require MSO-supplied guides like Comcast's X2 guide (pictured) to be accessible to the visually impaired within three years.

WASHINGTON — The Federal Communications Commission has decided not to require cable operators to add new information to their on-screen program guides as part of a congressional accessibility mandate.

The commission last week voted on the last major implementation of rules for the 2010 Twenty-First Century Communications Video Accessibility Act, a mouthful of a title and among its more complicated orders in recent memory, according to someone who helped formulate them.

The rules deal with the accessibility of on-screen TV-programming guides for the blind and visually impaired. They do not require that all cable set-top boxes be compliant, only that compliant devices be made available upon request. Cable operators will have three years from the Office of Management and Budget's sign-off of the implementation order to comply, but mid-sized and smaller operators can ask for up to five years.

**TAKEAWAY**

Most MSOs will have three years to comply with FCC rules requiring inclusion of information for the visually impaired in programming guides.

Cable-supplied boxes and software must be compliant, but cable operators won't be responsible for third-party boxes or any third-party software a consumer decides to download. Those provisions are all victories for the National Cable & Telecommunications Association, which opposed such mandates and wanted the FCC to clarify the "on request" part of the mandates.

The NCTA had argued that the act did not give the FCC the authority to mandate any new information, as public, educational and government channel operators had asked for.

Essentially, the FCC decided not to mandate any additional guide information, only require that whatever was in the guides be accessible, though it will seek more information on guide content.

While larger cable operators will have three years to comply, the FCC will allow systems with 400,000 or fewer subscribers that aren't owned by one of the two largest operators up to five years to comply — they must request an extension — and systems of 20,000 or fewer subscribers, no matter who owns them.

While the statute would have allowed the FCC to exempt those smallest of the small systems, the agency did not choose to do so.

The FCC also issued a proposed notice of further rulemaking teeing up some questions, like whether or not it should put requirements on what information should be in the guide. Some disability groups weighed in on the side of PEG operators, so the FCC decided to seek more info on the question.

# House Panel Reslates Hearing on 5-GHz Band

WASHINGTON — The House Communications Subcommittee has set Nov. 13 for a rescheduled hearing on the 5-Gigahertz band, considered one of cable's sweet spots for Wi-Fi hot spots. Comcast is scheduled to testify.

The hearing had been scheduled for Oct. 1, but was pushed back due to the government shutdown.

The FCC voted unanimously in February to free up 195 MHz of additional spectrum in the 5 GHz band for Wi-Fi.

Cable operators already use the 5-GHZ band to provide over 100,000 hot spots, a fact the National Cable & Telecommunications Association pointed out in praising the vote.

The FCC must find a way to free up the spectrum for unlicensed Wi-Fi use while not interfering with military, Federal Aviation Adminstration and automotive collision-avoidance systems operating in the band. That last matter has pitted cable operators against automakers.

The FCC has been under pressure from Congress to try and open up more unlicensed Wi-Fi spectrum in the 5 GHz band.

*— John Eggerton*

# Journalists Push Back On Gov't Surveillance

BY JOHN EGGERTON

WASHINGTON — The White House has more work to do to convince journalists they won't be the targets of overzealous government prosecutors or prying official eyes.

The Committee to Protect Journalists said it is seeking a meeting with high-ranking White House officials about a report it released earlier this month critical of the Obama administration's treatment of the press — the group's first-ever comprehensive report on U.S. press freedom.

*"The public will be less well-informed, even though we need full reporting on national security issues now more than ever."*

KURT WIMMER, COVINGTON & BURLING

Joel Simon, executive director of the committee, has said the CPJ sent a copy of the report to the White House and asked for the meeting. "We are going to be following up on that request and we actually hope to have some face-to-face dialogue," he told an audience at an Oct. 17 New America Foundation panel session about the report and the issue.

Simon also said the committee was working to build "coalitions and awareness" because the White House doesn't see this [leak investigations and surveillance] as a problem," or at least hadn't before. He said he thinks the adminstration believed it had addressed the "flare-up" over the confiscation of Associated Press phone records with new Justice Department guidelines.

"What this report says is: 'You're wrong,' " Simon said. "This is a problem, and a very significant problem.' "

In the wake of that report, the CPJ recommends that the White House: 1) guarantee that journalists will not be prosecuted for receiving confidential or classified information; 2) be more transparent about the scope of NSA and other surveillance; 3) implement the revised Justice Department guidelines and prevent overly broad subpoenas; 4) stop bringing espionage charges against leakers of classified information; 5) increase overall government transparency; and 6) advocate for the broadest possible definition of journalist in a shield law.

"The CPJ report is powerful because it weaves multiple strands from the headlines into a single fabric," attorney Kurt Wimmer, chairman of Covington & Burling's privacy and data security practice, said. "In combination with the court's recent reluctance to allow reporters to protect their confidential sources, the trend is clear. The public will be less well-informed, even though we need full reporting on national security issues now more than ever."

Wimmer, who represents a 70-member coalition of TV journalists, said he thinks a federal shield law is overdue.

"Congress can help here by passing a federal shield law so that reporters can protect confidential sources, while maintaining a proper balance with national security interests," he said.

## THURSDAY, DECEMBER 5, 2013

Registration Opens 1:00 p.m.

Program 1:25 p.m. to 5:00 p.m.

Roosevelt Hotel, 45 East 45th Street, New York City

Join us for an afternoon during which technology suppliers, video producers, television providers and the ad community will discuss how to monetize their co-dependent business relationships with the viewer in three distinct areas: connecting with consumers, content and the consumer's experience.

## PARTICIPANTS

**Peter Blacker**
EVP of Digital Media and Emerging Businesses
**Telemundo Media**

**Bill Dodd**
Chairman and CEO
**DIRECPATH**

**Rob Jacobson**
Global Head of Programming and Acquisitions
**Vubiquity**

**Suk Park**
Co-founder and Co-CEO
**DramaFever**

**Chris Raleigh**
SVP, Cable & Cross Platform Ad Sales
**The Weather Company**

## MORE TO BE ANNOUNCED

## Register today: multiplatformtvsummit.com

**PRESENTED BY:**

B&C · Multichannel News

TVTechnology

This event is produced by Schramm Marketing Group on behalf of *B&C* and *Multichannel News*

**SPONSORED BY:**

clearleap

**For speaking opportunities, contact Joe Schramm at 212-983-0219, jschramm@schrammnyc.com**

**For sponsorship opportunities, contact Jason Greenblatt, 917-281-4726, jgreenblatt@nbmedia.com or Eric Trabb at 212-378-0400 x 532 or etrabb@nbmedia.com**

**For registration inquiries, contact Jennifer Ware, 917-281-4718, jware@nbmedia.com**

# AMC Plays Chellomedia For International Expansion

## ADDS 48 GLOBAL NETWORKS IN $1B DEAL

BY MIKE FARRELL

AMC Networks said its $1 billion purchase of Liberty Global's content arm, Chellomedia, further solidifies its commitment to international expansion.

The parent of cable channels AMC, IFC, WE tv and Sundance Channel, AMC Networks agreed to pay 750 million euros (about $1.035 billion) for Chellomedia, which has 48 movie, sports and entertainment channels that reach about 390 million viewers in 138 countries. The programmer also has joint ventures with various groups for another 20 channels.

**TAKEAWAY**

AMC Networks' $1 billion purchase of Chellomedia gives the programmer a global outlet for its content but reduces the likelihood it will be sold.

The acquisition, expected to close in the first quarter of 2014, will likely significantly increase AMC Networks' global presence, as well as distribution of its hit series such as AMC's *The Walking Dead*.

In a research note, Morgan Stanley media analyst Ben Swinburne wrote that currently, AMC Networks distributes its shows internationally through third parties — for example, *The Walking Dead* is distributed outside of the U.S. by Fox. The Chellomedia acquisition could change that dynamic.

chellomedia
a Liberty Global company
Hello Chello
Chellomedia, Liberty Global's content arm acquired by AMC Networks for $1 billion, at a glance:
▶ Networks: Owns 48 networks in 14 countries in Latin America, Europe and Central Europe. Partners with CBS and A+E Networks on 20 channels including CBS Action, CBS Drama and Bio.
▶ Combined Int'l Revenue: ISI Group estimates international revenue at AMC Networks could reach $550 million in 2014, as a result of the Chellomedia acquisition.
▶ Combined Int'l Operating Cash Flow: ISI estimated international OCF at more than $110 million.
Source: Company reports, analysts estimates
The Chellomedia purchase could give AMC Networks its own overseas distribution outlet for such content as The Walking Dead.

BLAKE TYERS/AMC

### GLOBAL INVASION

"To the extent AMC owns a show outright, or can show it is maximizing the value of a show to its partners and participants, AMC can distribute shows on the owned Chello platforms aimed at building long-term asset value," Swinburne wrote.

Although AMC Networks is happy with its current Fox relationship, the deal solidifies the company's desire to own its own programming, CEO Josh Sapan told analysts on a conference call discussing the transaction.

"We do think as we examine what to do with content over the long term, we will increase the bias we've had to own, which gives us the option to put the content where we choose," Sapan said on the call. "This will have the effect of increasing our desire and preference to own, it will give us the option to determine the ultimate fate of future content."

Some analysts worry that Chellomedia's slowing growth — revenue was down 3.4% in 2012, to $514 million — could mean greater financial risk for AMC Networks. And the deal removes, at least temporarily, one of the bigger catalysts for AMC stock — the possibility it will be acquired.

Investors appeared to agree, driving AMC Networks shares down 1% (46 cents) to $69.90 per share after the deal was announced Oct. 28.

BTIG Research media analyst Rich Greenfield downgraded AMC to "neutral" after the deal, mainly because it at least delays a possible sale of the company.

In a research note issued earlier this year, Greenfield said he believed AMC Networks would be sold in 2013. And though he acknowledged the long-term benefit of the Chellomedia transaction, "not to mention making AMC [Networks] more attractive to buyers down the road if it can execute well on the acquisition and its new slate of domestic original programming," Greenfield nevertheless slapped a neutral rating on the stock.

Chellomedia is a mix of sports, news, entertainment and movie channels with names like Odisseia (a documentary channel) and Canal Cocina (a Spanish cooking network). In addition, the programmer has joint ventures with CBS, A+E Networks and other networks for channels such as CBS Action, CBS Drama and Bio.

As part of the deal, Liberty will keep its Dutch premium channels — Film 1 and Sport 1.

### DEAL FUEL FOR LIBERTY

The deal pumps an additional $1 billion into Liberty Global's coffers, which it could use for share buybacks or other deals. The international cable giant already owns a 28% interest in Dutch cable company Ziggo and has expressed interest in owning more.

In addition, Belgian cable operator Telenet — of which LGI already owns almost 60% — could also be a target.

Either way, Pivotal Research Group principal and senior media & communications analyst Jeff Wlodarczak said the deal is a good one for Liberty Global.

"Selling your content assets at roughly 10 times EBITDA to buy cable assets and under 8 times — with synergies — is an intelligent move," Wlodarczak said.

In a statement, Liberty Global CEO Mike Fries said the deal "simplifies our business and allows us to focus on our core markets and more strategic programming opportunities."

Liberty put Chellomedia on the block in the summer, and according to reports early bidders included Discovery Communications, Scripps Networks and Time Warner Inc.'s Turner Broadcasting System. AMC's winning bid came as sort of a surprise to some analysts, but Sapan said he saw things perhaps others didn't in the Chellomedia assets.

"We saw in Chellomedia assets that had been very well developed, financially disciplined, stable with good upside and a very strong management team across the globe," Sapan said. "We saw no conflicts between any of our existing outside of the U.S. assets and theirs, and we saw what we believe to be a terrific basis from which to improve and strengthen the businesses with increased programming investment and stronger programming."

# Multichannel News Index (MNI) 932.2

3.62 (WEEKLY)

| | Price 10/30 | Price 10/23 | Weekly % Change | Month Ago | Year Ago | 52-Week High | 52-Week Low |
|---|---|---|---|---|---|---|---|
| **MSOs** | | | | | | | |
| Cablevision | 15.65 | 15.57 | 0.51% | 16.84 | 17.89 | 20.16 | 13.21 |
| Charter (H) | 135.02 | 135.22 | -0.15% | 133.57 | 76.57 | 144.02 | 67.06 |
| Comcast | 45.98 | 45.72 | 0.56% | 43.35 | 36.51 | 47.04 | 34.00 |
| Comcast (special) (H) | 47.09 | 46.96 | 0.28% | 45.12 | 37.56 | 48.35 | 34.95 |
| Liberty Global | 77.99 | 79.05 | -1.34% | 79.85 | 60.03 | 82.50 | 68.83 |
| Rogers | 45.23 | 45.37 | -0.31% | 43.01 | 44.24 | 51.98 | 38.32 |
| Shaw | 23.83 | 24.41 | -2.38% | 23.24 | 21.10 | 25.46 | 20.82 |
| Time Warner Cable | 116.88 | 118.71 | -1.54% | 112.17 | 99.52 | 120.93 | 84.57 |
| TOTAL ↓ | 1,806.13 | 1,810.19 | -0.22% | 1,724.27 | 1,491.56 | 1,845.49 | 1,370.76 |
| **PROGRAMMERS** | | | | | | | |
| AMC Networks | 68.25 | 71.37 | -4.37% | 66.88 | 46.76 | 72.46 | 46.25 |
| CBS | 58.62 | 59.25 | -1.06% | 55.50 | 32.87 | 60.00 | 31.84 |
| Crown Media Holdings (H) | 3.30 | 3.29 | 0.30% | 3.08 | 1.67 | 3.38 | 1.55 |
| Discovery | 84.36 | 84.50 | -0.17% | 84.84 | 58.19 | 89.58 | 54.89 |
| Disney (H) | 68.47 | 68.12 | 0.51% | 64.49 | 50.08 | 69.87 | 46.53 |
| Twenty-First Century Fox (H) | 33.94 | 34.77 | -2.40% | 33.26 | 23.79 | 35.33 | 20.35 |
| HSN | 53.20 | 53.31 | -0.21% | 54.44 | 49.25 | 65.00 | 49.13 |
| Liberty Interactive | 27.11 | 26.37 | 2.80% | 23.75 | 20.02 | 27.34 | 18.69 |
| Liberty Media Corp. (H) | 151.11 | 156.35 | -3.35% | 149.02 | N/A | 159.33 | 101.00 |
| MSG | 60.65 | 60.68 | -0.05% | 58.56 | 40.52 | 63.44 | 40.04 |
| Scripps Networks Interactive | 80.10 | 79.68 | 0.53% | 78.11 | 61.15 | 80.99 | 55.88 |
| Starz (H) | 29.98 | 30.19 | -0.70% | 28.02 | 12.74 | 30.72 | 11.31 |
| Time Warner Inc. (H) | 68.54 | 69.84 | -1.86% | 66.20 | 43.64 | 70.69 | 42.61 |
| ValueVision Media | 5.15 | 5.05 | 1.98% | 4.36 | 2.14 | 6.35 | 1.62 |
| Viacom (H) | 83.49 | 84.37 | -1.04% | 84.42 | 52.53 | 86.06 | 47.61 |
| WWE | 11.84 | 11.67 | 1.46% | 10.17 | 8.15 | 12.09 | 11.75 |
| TOTAL ↓ | 1,394.83 | 1,404.25 | -0.67% | 1,345.02 | 1,061.82 | 1,460.48 | 1,017.02 |

| | Price 10/30 | Price 10/23 | Weekly % Change | Month Ago | Year Ago | 52-Week High | 52-Week Low |
|---|---|---|---|---|---|---|---|
| **EQUIPMENT VENDORS** | | | | | | | |
| Arris Group | 16.49 | 16.62 | -0.78% | 17.01 | 13.73 | 17.98 | 13.48 |
| Broadcom | 27.46 | 26.36 | 4.17% | 26.02 | 31.76 | 37.85 | 23.25 |
| Cisco Systems | 22.71 | 22.25 | 2.02% | 23.43 | 17.29 | 26.49 | 16.68 |
| Concurrent | 7.42 | 7.32 | 1.37% | 7.08 | 5.21 | 8.95 | 4.34 |
| EchoStar (H) | 46.99 | 47.87 | -1.84% | 43.40 | 31.73 | 48.48 | 29.82 |
| Entropic | 4.15 | 4.28 | -3.04% | 4.46 | 4.52 | 5.82 | 3.57 |
| Harmonic (H) | 7.24 | 8.00 | -9.50% | 7.68 | 4.34 | 8.25 | 3.96 |
| Intel | 24.50 | 23.74 | 3.20% | 22.92 | 21.95 | 25.98 | 19.23 |
| LM Ericsson Telephone | 12.27 | 13.06 | -6.05% | 13.35 | 8.68 | 14.22 | 12.24 |
| Microsoft | 35.54 | 33.76 | 5.27% | 33.28 | 28.21 | 36.43 | 26.26 |
| Rentrak | 37.30 | 36.07 | 3.41% | 32.62 | 16.83 | 37.35 | 16.32 |
| Rovi | 18.97 | 18.90 | 0.38% | 19.03 | 13.57 | 26.55 | 13.25 |
| SeaChange (H) | 14.24 | 14.59 | -2.40% | 11.47 | 8.99 | 15.25 | 14.19 |
| Technicolor | 5.54 | 5.54 | 0.13% | 5.07 | 2.40 | 5.66 | 2.26 |
| TiVo (H) | 13.33 | 13.49 | -1.19% | 12.44 | 9.97 | 14.25 | 13.21 |
| TOTAL ↑ | 1,270.54 | 1,230.58 | 3.25% | 1,227.82 | 1,026.87 | 1,328.98 | 1,266.71 |
| **TELCOS** | | | | | | | |
| AT&T | 36.26 | 35.28 | 2.78% | 33.98 | 34.63 | 39.00 | 32.71 |
| Sprint | 6.93 | 6.43 | 7.78% | 6.16 | 5.49 | 7.26 | 5.15 |
| Verizon | 50.53 | 50.82 | -0.57% | 46.67 | 44.73 | 54.31 | 40.51 |
| TOTAL ↑ | 666.31 | 657.66 | 1.32% | 622.42 | 615.69 | 711.08 | 576.20 |
| **SATELLITE TV** | | | | | | | |
| DirecTV Group | 62.57 | 62.09 | 0.77% | 59.96 | 51.27 | 67.85 | 47.71 |
| Dish Network (H) | 47.88 | 49.14 | -2.56% | 44.46 | 35.55 | 49.59 | 33.79 |
| TOTAL ↓ | 1,661.06 | 1,661.49 | -0.03% | 1,580.26 | 1,993.92 | 2,149.87 | 1,238.16 |

**SOURCE:** Financial Content **NOTE:** The Multichannel Multimedia Index measures the combined prices of stocks listed on this page, weighted by market capitalization. S&P tracks the Standard & Poor's 500 stock index.

## TOP 5 PERCENTAGE GAINERS:

| | |
|---|---|
| Sprint | 7.78% |
| Microsoft | 5.27% |
| Broadcom | 4.17% |
| Rentrak (H) | 3.41% |
| Intel | 3.20% |

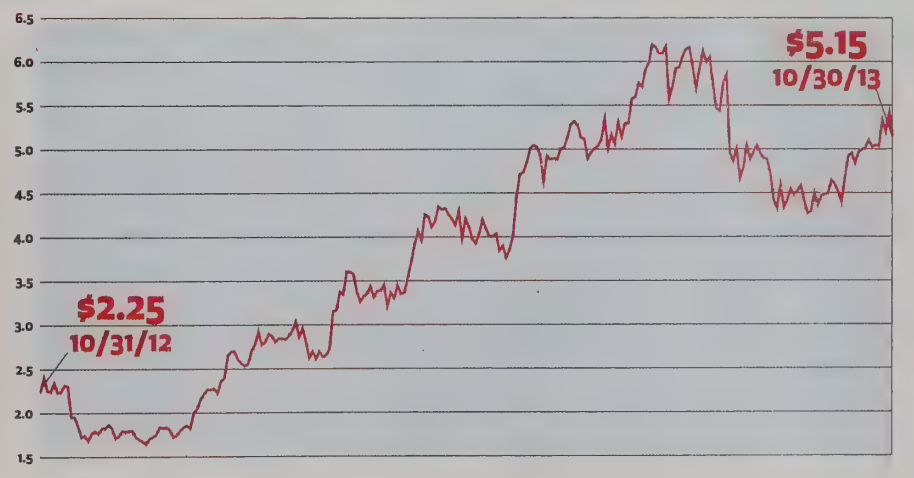
## TOP 5 PERCENTAGE LOSERS:

| | |
|---|---|
| Harmonic | -9.50% |
| LM Ericsson Telephone | -6.05% |
| AMC Networks | -4.37% |
| Liberty Media | -3.35% |
| Entropic | -3.04% |

## VALUEVISION MEDIA (NASDAQ — VVTV)

ValueVision shares dipped about 5% on Oct. 30 after activist shareholder Clinton Group sent a letter to the company calling for the ouster of CEO Keith Stewart, claiming that the ShopHQ parent lost more than $100 million under his watch. ValueVision countered on Oct. 31 that since Stewart was first named CEO in 2009, its share price has risen 950% and the company has diversified its product mix. That reversal of fortune continued this year: Even with last Thursday's decline, ValueVision stock has more than doubled in the last 12 months from $2.25 to $5.15 each.

**SOURCE:** NASDAQ website




## MARKET INDEX COMPARISON

| | Price 10/30 | Price 10/23 | % Week | Month-Ago | Year-Ago |
|---|---|---|---|---|---|
| MNI | 932.20 | 918.66 | 1.47% ↑ | 891.25 | 778.13 |
| S&P 500 | 1,763.31 | 1,746.38 | 0.97% ↑ | 1,681.55 | 1,411.94 |
| DJIA | 15,618.76 | 15,413.33 | 1.33% ↑ | 15,129.67 | 13,107.21 |
| NASDAQ | 3,930.62 | 3,907.07 | 0.60% ↑ | 3,771.48 | 2,987.95 |

## TIP SHEET

### A BUNDLE TO WATCH

Morgan Stanley media analyst Ben Swinburne said Comcast's new "Internet Plus" bundle, a pairing of broadband, broadcast basic and HBO, could address the growing affordability issue in pay TV and deserves a close look. Although Comcast is testing the $40-per-month package in several markets, Swinburne noted the offering is "a creative and profitable way to address a growing segment of the U.S. TV-viewing consumer."

### ABOUT-FACE ON FACEBOOK

BTIG Research media analyst Richard Greenfield raised his rating on Facebook to "buy" from "neutral," adding that the social-media giant has vastly improved its ad quality. Greenfield had been concerned that low-quality ads would hurt the social-media juggernaut as Internet usage increasingly shifted to mobile. That hasn't been the case, and quality has since improved vastly. Although his concerns may prove valid, Greenfield wrote they aren't expected to prevent "rapid growth over the next couple of years."

# Cable's Multi-Gigabit Era Takes a Big Step Forward

## CABLELABS RELEASES DOCSIS 3.1 PRODUCT SPECS

BY JEFF BAUMGARTNER

Cable's path toward multi-Gigabit speeds made a big, albeit expected, leap forward last Wednesday (Oct. 30) when CableLabs published the product specs for DOCSIS 3.1, a new Internet-protocol platform that will enable cable operators to scale their hybrid fiber/coax networks to speeds of 10 Gigabits per second downstream and between 1 Gbps to 2 Gbps upstream.

The release was anticipated, as CableLabs announced at the SCTE Cable-Tec Expo in Atlanta earlier this month that the D3.1 specs would be out before the end of October.

**TAKEAWAY**

The release last week of DOCSIS 3.1 specs means the first products built to the standard could hit the market by late next year.

The initial batch of D3.1 interoperability specs define DOCSIS 3.1's physical layer and MULPI (MAC and Upper Layer Protocol) specifications. CableLabs expects to complete the DOCSIS 3.1 networking-management specs sometime in 2014, according to Matt Schmitt, CableLabs' director of DOCSIS.

The product specs, which provide the blueprint necessary for silicon, cable-modem and cable-modem termination system (CMTS) vendors to start building D3.1 gear, have been on a fast track ever since CableLabs publicly disclosed plans for the specs about a year ago. CableLabs estimates that it completed the development of the DOCSIS 3.1 specs 40% faster than previous DOCSIS projects.

According to the spec's minimum requirements, the first DOCSIS 3.1 modems will be hybrids that support both DOCSIS 3.1 and DOCSIS 3.0 spectrum, capable of supporting downstream speeds of up to 4 Gbps to 5 Gbps. The DOCSIS 3.0 side will carry a baseline requirement of bonding 24 downstream QAM channels and 8 upstream QAM channels, alongside a DOCSIS 3.1 minimum that calls for the ability to tie in two channels, or blocks, of orthogonal frequency-division multiplexing (OFDM) at 192MHz-wide each, and two 96MHz-wide OFDM channels for the upstream.

MSOs and vendors have not announced any specific product launch or deployment dates, but the initial DOCSIS 3.1 products should emerge by late 2014, enabling operators to start deployments sometime in 2015. CableLabs said it is prepared to facilitate interoperability testing of D3.1-facing products and to help gear makers prepare for certification and qualification testing "as soon as prototypes are available."

DOCSIS 3.1 will implement techniques and technologies that will increase bandwidth efficiency by pumping more bits per hertz down the wire than DOCSIS 3.0 can do today.

Overall, DOCSIS 3.1 is expected to be about 50% more efficient than DOCSIS 3.0, partly through the use of OFDM, a technique that will enable operators to pack tiny subcarriers into wide blocks of bandwidth and utilize higher levels of modulation. DOCSIS 3.1 will also support low-density parity-check (LDPC), a Forward Error Correction (FEC) scheme that uses less bandwidth than the current Reed-Solomon approach.

### This Day in DOCSIS 3.1 History

**A timeline of key moments in the spec's development:**

▶ **May 14, 2012:** In discussing its plans for next-gen cable access products, Cisco Systems execs reveal that CableLabs is working on a next-gen DOCSIS spec, referring to it as "DOCSIS 3.x" and "DOCSIS 3.1."

▶ **Oct. 18, 2012:** CableLabs and cable-operator executives reveal plans and technical details for DOCSIS 3.1 at the SCTE Cable-Tec Expo in Orlando, Fla., announcing that the initial product specs would be complete by the end of 2013 and would aim to scale up to 10 Gbps downstream.

▶ **June 10:** Speaking at The Cable Show in Washington, D.C., Comcast executive vice president and chief technology officer Tony Werner predicts DOCSIS 3.1 trials could get underway as early as 2014, with commercially-ready products becoming available by late 2014 or 2015.

▶ **Oct. 21:** CableLabs says it expects to issue the product specs for DOCSIS 3.1 before the end of the month, beating its anticipated deadline by two months.

▶ **Oct. 30:** CableLabs issues the hardware specs for DOCSIS 3.1.

▶ **On the horizon:** CableLabs is expected to release the networking management specs for DOCSIS 3.1 sometime in 2014.

*— Jeff Baumgartner*

### MORE ONLINE

To read the initial DOCSIS 3.1 specs, click through via multichannel.com/Nov4.

## TRANSLATION PLEASE

### More Open Source Lingo

Leslie Ellis

ATLANTA — As expected, cable's annual tech get-together steamrolled a fresh mound of terminology into the field of view.

This year's new terms from the SCTE Cable-Tec Expo two weeks ago seemed less about tongue-twisting gibberish and more about lingo swapping — particularly as it relates to the Wild West that is "open-source" everything.

Here's an example. "Intellectual Property leakage." Abbreviated, IP leakage. Important: If life gives you cause to say it aloud, do not say the abbreviated version. Learn from those of us who fell prey to this linguistic trap, too many times — it's but a variation of "it seems like IP everywhere!"

Intellectual-property leakage is another early reason why cable technologists used to avoid dabbling in the open-source software common to The Big Internet. Open source stipulates a "votes with code" mindset — participants contribute their efforts into a big, open repository for anyone else to dip into.

This was seen as particularly risky when it came to set-top boxes, which contain things just too sensitive to be open. Like how encrypted signals are decrypted, for instance. Or how they tie fairly directly into things like billing data.

That all changed with the RDK — the Reference Design Kit. As was confirmed at an "RDK in Action" panel at the Expo, RDK is the industry's first real example of open source inside the set-tops and gateways MSOs lease to consumers.

Concerns about being infected by the stuff of The Big Internet, coupled with the worries of Intellectual Property leakage, are why RDK is technically considered "shared source." The difference between "open source" and "shared source," very simply? The license. RDK community members gain access to the source code repository by signing a (zero dollar) license.

Then there's the fork. Forks matter greatly in open source/shared source communities. This is more "fork in the road" than "put a fork in it," although generally speaking, forks are bad. They happen when an open-source effort decides to take a different technological course. Then, everyone who uses that code must decide: Take the fork, or stay on the original course?

This happened in September with one of the core components in the RDK stack — the Web engine — which forked to a Google-built effort called "Blink." Experts at the RDK panel at SCTE marked the development as "no biggie," explaining that a tenet of RDK is to stay at the tip of the developments in the open-source elements it selected. In other words, if Blink is deemed better, then so it shall be.

Bottom line: Cable going open source in its leased electronics is a new way of thinking about how it sources equipment. It's part of the overall transition of the cable operator as an integrator, to the cable operator as an innovator, to quote Time Warner Cable senior vice president of technology Matt Zelesko, who added: "This is a key trend. It's really important."

Duly noted.

*Stumped by gibberish? Visit Leslie Ellis at translationplease.com or multichannel.com/blog.*

## Help Wanted

**EDMUND F. AND VIRGINIA B. BALL ENDOWED CHAIR OF TELECOMMUNICATIONS**
**DEPARTMENT OF TELECOMMUNICATIONS**
**BALL STATE UNIVERSITY**
**MUNCIE, INDIANA**

Contract faculty position available August 15, 2014.

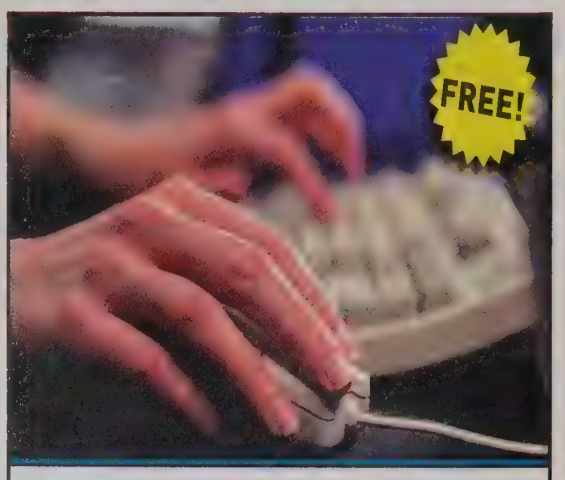
This position is designed to attract nationally or internationally recognized professionals or scholars in one or more of the following areas: digital production (audio, video, emerging media, sports), sales and promotion, news, or film and media studies. Additional opportunities may be available in the department's "core" classes of telecommunications foundations, media criticism, law, and writing.

Responsibilities: teach at least two classes during both fall and spring semesters with potential for summer teaching; develop materials for classes; collaborate with other department, or outside entities, on projects; commit to agreed levels of service both on and off campus, including representing the department, college, and university; make at least one presentation annually to the Muncie community on an issue pertinent to the appointment.

**Minimum qualifications:** bachelor's degree with extensive (10 years or more) professional experience with appropriate national or international recognition.

**Preferred qualifications:** terminal degree with national or international recognition in either the professional or academic community (10 years minimum). Candidates for contract faculty searches must have current authorization to be employed in the U.S. without employer sponsorship. For more information, please go to **www.bsu.edu/hrs/jobpostings**.

Ball State University is an equal opportunity, affirmative action employer and is strongly and actively committed to diversity within its community.


STAY ONE STEP AHEAD

with NewBay Media's FREE Electronic Newsletters

**ONE-STOP SHOPPING:** Simply visit **www.nbmedia.com** and click on the "Email Newsletters" link. Then choose as many newsletters you need.

Sign-up today by visiting www.nbmedia.com

TELEVISION NETWORK of OPPORTUNITY
TVCareers
brought to you by B&C and Multichannel News
For more information, go to www.BroadcastingCable.com/job or www.Multichannel.com/job
or contact Zahra Majma at 212-378-0400 x517 or zmajma@nbmedia.com
B&C · Multichannel NEWS

Advertise in print and online contact Zahra Majma at 212-378-0400 x517 or zmajma@nbmedia.com

# mcnBuzz

CHART DATE
OCT. 24-31

The social-TV charts below rank shows by volume of activity (mentions, tags, links, likes, etc.) across all public profiles on Twitter, Facebook, GetGlue and Viggle. Share reflects a program's daily activity as a percentage of all cable or broadcast activity on a given day.

## CABLE TOP 10

| | | Activity Score | Share |
|---|---|---|---|
| 1 | NBA Basketball: Lakers at Warriors — NBA TV | 1,337,212 | 8.55% |
| 2 | The Walking Dead — AMC | 1,190,026 | 7.61% |
| 3 | WWE Monday Night Raw — USA | 851,213 | 5.44% |
| 4 | English Premier League Soccer: Manchester United vs. Stoke City — NBC Sports Network | 558,028 | 3.57% |
| 5 | Futbol Ingles: Manchester United vs. Stoke City — mun2 | 553,885 | 3.54% |
| 6 | English Premier League Soccer: Chelsea vs. Manchester City — NBC Sports Network | 478,219 | 3.06% |
| 7 | Futbol Ingles: Chelsea vs. Manchester City — mun2 | 473,939 | 3.03% |
| 8 | WWE SmackDown — Syfy | 473,824 | 3.03% |
| 9 | Sportscenter — ESPN | 470,185 | 3.01% |
| 10 | American Horror Story: Coven — FX | 412,529 | 2.64% |

## BROADCAST TOP 10

| | | Activity Score | Share |
|---|---|---|---|
| 1 | World Series: Red Sox vs. Cardinals — Fox | 4,258,008 | 28.14% |
| 2 | NFL Football: Cowboys at Lions — Fox | 1,074,861 | 7.1% |
| 3 | The X Factor — Fox | 803,280 | 5.31% |
| 4 | The Vampire Diaries — The CW | 533,249 | 3.52% |
| 5 | The Dr. Oz Show — Syndicated | 392,239 | 2.59% |
| 6 | The Voice — NBC | 372,045 | 2.46% |
| 7 | NFL Football: Dolphins at Patriots — CBS | 310,693 | 2.05% |
| 8 | NFL Football: Packers at Vikings — NBC | 308,712 | 2.04% |
| 9 | Supernatural — The CW | 280,287 | 1.85% |
| 10 | NFL Football: Redskins at Broncos — Fox | 258,614 | 1.71% |

## *THIS WEEK'S NOTEWORTHY CABLE SHOWS*

**AMC's 'The Walking Dead'**
AMC's *The Walking Dead* had more than 1.5 times the weekly activity of the No. 1 non-sports broadcast program this week, Fox's *The X-Factor.*

**Frequency**
Fans of AMC's *The Walking Dead* engaged with the program an average of 1.81 times this week.

**Uniques**
The show drew the largest number of unique fans to the conversation this week, with 631,992 unduplicated viewers joining the chatter around the AMC's *The Walking Dead.*

**USA Network's 'WWE Monday Night Raw'**
USA's *WWE Monday Night Raw* saw a 65% increase in weekly activity vs. last week, with 52% of the conversation coming from men.

**Frequency**
*WWE Monday Night Raw* was the most-engaging show in the cable top 10, as fans interacted with the program an average of 4.03 times this week.

**Uniques**
Joining the conversation around *WWE Monday Night Raw* were 210,472 unduplicated viewers.

by Trendrr TV

**SOURCE:** Trendrr harnesses the power of real-time social data for media and advertising. Trendrr.TV.

# ADVANCED ADVERTISING

PRESENTED BY: B&C · Multichannel NEWS

## Wednesday • November 13, 2013

**1:30 p.m.-5:15 p.m., followed by cocktail reception**
**The McGraw-Hill Building • 1221 Avenue of the Americas, 50th Floor, New York, NY**

**Register Today! multichannelevents.com/advancedad**

**TV advertising** has reached an inflection point. Targeted, interactive and on-demand technologies are helping marketers more closely align themselves with the right audiences and helping programmers pay the freight as their valuable content extends to more screens. For more insight into this exciting but challenging time in the business, hear from all the industry leaders about how operators, programmers, agencies and advertisers are profiting from next-generation advanced advertising.

**Topics and panel discussions include:**

- **MULTISCREEN TARGETING**
  How campaigns can reach and be optimized for TV and other connected platforms
- **ADDRESSABLE ADS COME OF AGE**
  A small but growing segment, addressable ads help extend linear advertising
- **WHAT WORKS: SUCCESS STORIES**
  Marketers provide insights from campaigns that score

**SPONSORED BY:**

ARRIS · AT&T AdWorks · blackarrow · clearleap · enseQuence · Harris Broadcast (Deliver the moment.) · SeaChange · viamedia · YANGAROO

**COCKTAIL SPONSOR:**

This TECHNOLOGY

**For registration information, contact Jennifer Ware at 917.281.4718 or email at jware@nbmedia.com**

## VOICES

# THE BAUMINATOR JEFF BAUMGARTNER

SLING STATS Oct. 31

Sling Media has yet to reveal how many consumers are using its place-shifting platform, either through retail Slingboxes or via operator-supplied, Sling-loaded set-tops, but the company is shedding more light on how it's being used.

Sling Media, which is now firmly in bed with Arris as Sling looks to drive more business with pay TV operators, posted a blog last week with an infographic that presented some interesting stats.

Unsurprisingly, most Sling users (75%) tap in to watch TV outside the home. And, perhaps surprisingly, the PC still matters. Users place-shift about 14.5 hours per month of TV to laptops, versus 5.1 hours to tablets and just 2.3 hours to smartphones, according to Sling.

Breaking news and live events tend to drive Slingbox usage, with the NFL Playoffs, the Super Bowl, the Academy Awards, March Madness and news on the Boston Marathon bombings leading to significant spikes.

Most of those trends jibe well with how I've been using Sling in recent years, though I'm not sure if my current use case is indicative of the broader marketplace. For now, 100% of my Sling usage happens out-of-home.

***For more from this blog, visit multichannel.com/Nov11.***

## MCN'S MOST READ

TOP ARTICLES ON MULTICHANNEL.COM, OCT. 24-31

1. RSNs to Tip Off Live In-Market Streaming of NBA Games
2. Cable One, Turner Reach a Deal
3. First DOCSIS 3.1 Modems Will Have 4-5 Mbps Potential
4. Pace Makes $310 Million Play for Aurora Networks
5. Comcast Set to Stream 35 Channels Out of the Home

***To read these stories, visit multichannel.com/Nov11.***

## Numbers

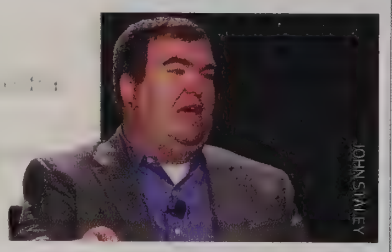
# 560 M

The number of tweets about U.S. TV in the first half of 2013, up 62% from last year.

**SOURCE:** Nielsen

## SAY WHAT?

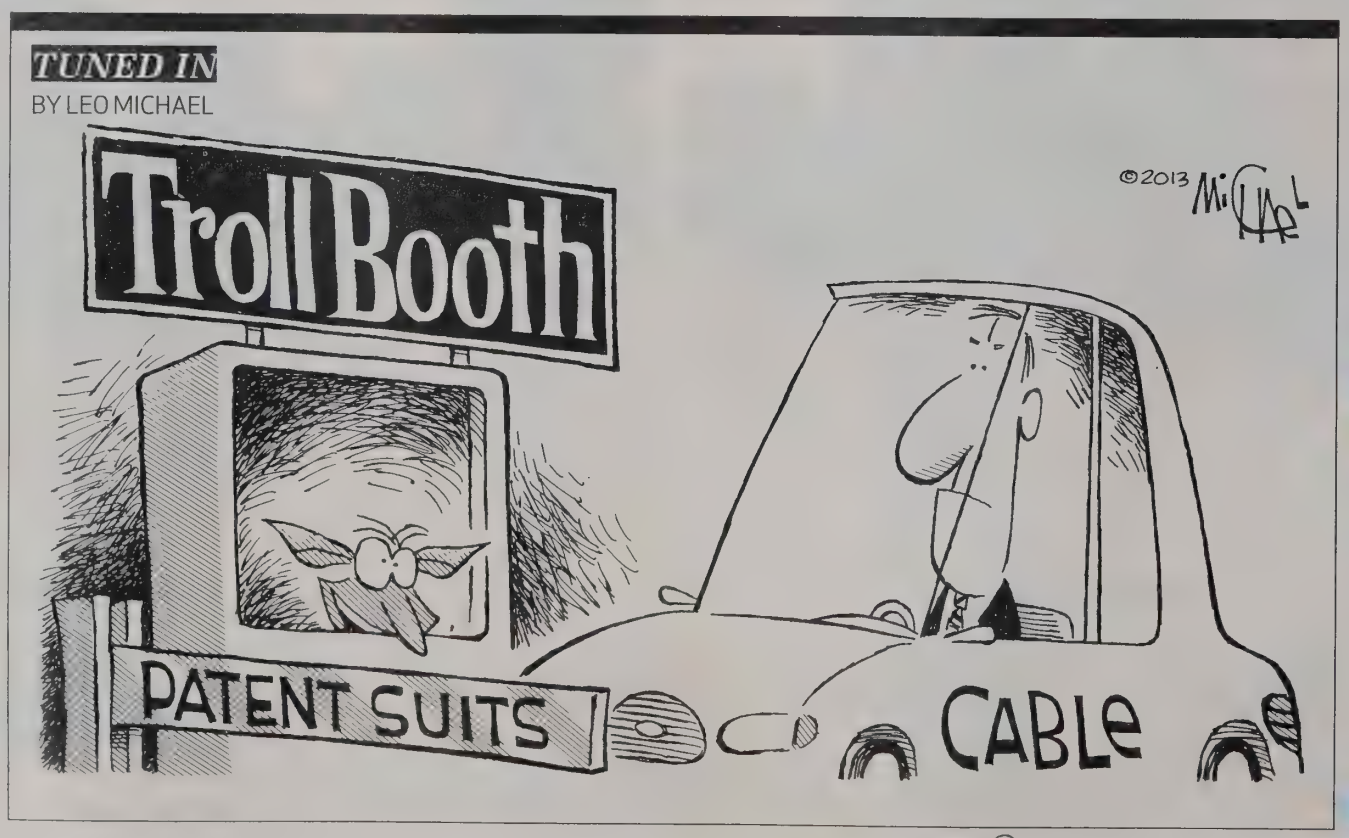
"What is really the unique advantage to what MVPDs are still offering? It is the live linear experience — that the only place to watch Glenn Beck at 5 p.m. is on The Blaze."




— Christopher Balfe, CEO, TheBlaze

## TUNED IN

BY LEO MICHAEL




## TALKBACK

www.multichannel.com

### Shop Talk

(Re: "Who's Next on Pace's M&A Hit List?" Oct. 28): "I would say that Harmonic would make the next logical step in a product-related acquisition. Aurora bought the node side, so now Pace has that piece. Adding in the headend side of the matrix would give Pace a pretty solid end-to-end solution (headend-to-STB)."

**Brad N.**

### Same Song, Second Verse

(Re: "Comcast Set to Stream 35 TV Channels Out-of-the-Home," Oct. 30): "Comcast streamed shows without apps years ago, and all one needed was an Internet browser. It was called 'Fancast.'"

**"Bob Bummer"**

### Intel's OTT Drama

(Re: "Verizon in Talks to Take Over Intel's OTT Video Project: Report," Oct. 30): "It sounds like the only reason [Intel] can't get programming is the pressure cable companies are putting on content providers. Is that not an antitrust issue?"

**"ModernMode"**

### Servers, Not Set-Tops

(Re: "Cablevision's Upgraded Network DVR Can Record 10 Shows at Once," Oct. 27): "Cablevision should phase out its 20th century set-top boxes completely and instead utilize a home-server approach [with] a small server box set up in the [customer's] basement with a huge media disk installed. Each TV in the house is then provided a Roku-type device that can stream off of the server. ... Why these cable companies are so adamant about refusing to unload these buggy, slow boxes is beyond my comprehension."

**Dan M.**

## Twitterati

"Hour 4 of broadcasting and cable hall of fame dinner. Speeches continue. Like the white chocolate B&C logo, it was delicious" @LianaBaker, ***Liana B. Baker, media reporter for Thomson Reuters, on last week's Broadcasting & Cable Hall of Fame ceremony***

"BTW, when did baseball players and doomsday preppers get on the same page, facial hair fashion wise?" @michaelwolf, ***Michael Wolf, Seattle-based analyst with NextMarket Insights, Nov. 1, on the Boston Red Sox's World Series victory***

FOLLOW US @MULTINEWS



820 867-7183

# Cable Scores in Twitter-TV Ranks

PICTURE THIS

*R. THOMAS UMSTEAD*
***PROGRAMMING EDITOR***

It's nearly a month into Nielsen's new Twitter-TV ratings, and it looks like cable programs are beginning to regularly occupy the top positions on the charts.

After ABC's *Scandal* topped Nielsen's initial Twitter-TV ratings chart for the week of Sept. 30, the top shows drawing the biggest unique audience have been cable shows. (Nielsen defines "unique audience" as the total number of distinct Twitter accounts accruing at least one impression of one or more different tweets ascribed to a TV episode.) AMC's Oct. 13 episode of zombie series *The Walking Dead* took top honors for the week of Oct. 7, while BET's Oct. 15 *Hip Hop Awards* special was No. 1 for the week of Oct. 14.

During the week of Oct. 21, cable posted the top five shows on the weekly Twitter-TV ratings chart, with ABC Family's Oct. 22 *Pretty Little Liars* Halloween episode finishing with 6.3 million Twitter uniques. The Oct. 27 episode of *The Walking Dead;* VH1's Oct. 21 biopic *CrazySexyCool: The TLC Story*; the Oct. 23 edition of FX's *American Horror Story: Coven;* and the Oct. 22 premiere of ABC Family mystery/drama series *Ravenswood* all finished above NBC's competition series *The Voice.*

What that all means in the grand TV scheme is anyone's guess. While the *Pretty Little Liars* special finished atop the Nielsen Twitter-TV ratings charts, its Nielsen-rated 3.1 million total viewers barely finished among the top 25 most-watched shows on cable for the week.

*Pretty Little Liars* viewers may have more social-media savvy than *Duck Dynasty* viewers — *Pretty Little Liars* drew nearly 5 million more unique Twitter views during the week than *Duck Dynasty* — but the hit A&E reality show averaged 5 million more total viewers than *Liars.*

Even Nielsen president of global product leadership Steve Hasker said at last week's NYC Television Week conference that the initial data from the Twitter-TV ratings chart — and its correlation with actual Nielsen viewership numbers — "poses some interesting questions."

Given the results of the first few weeks, it looks like cable programming will lead the speculation over the impact of the Nielsen-Twitter ratings.

# Is Media Really All That Nimble?

ACCESS

*LORI BISTIS*
***PWC***

While media is often perceived as a nimble industry that readily adapts to new trends, what lies behind the scenes — literally — can look very different. First to market may be a common strategy, but at what cost?

As the TV Everywhere race unfolded, companies raced to provide new services, ensuring video content was available to viewers anytime, anywhere. Quality of content and having a cohesive strategy for video delivery often took a back seat to making content available.

Today, companies are waking up with a fragmented strategy for video delivery across platforms, leaving them with a series of challenges, which follow.

**Workflow Consistency:** The shift to digital media disrupted a decades-old linear workflow model. Video delivery via websites and mobile applications required on-demand access to content. Workflows were forced to change, and with companies in the midst of affiliate negotiations looking to capitalize financially by including these new capabilities within their latest deals, the changes happened quickly.

Digital media teams responded with rapid development of new workflows for video content delivery, addressing challenges with new technical solutions such as user authentication, specified ad-serving capabilities and tailored video transcoding requirements per platform. The result was often an entirely different workflow, creating inconsistencies and duplication of efforts. The staff utilized for broadcast video delivery often could not manage digital video delivery, as the tool sets and required skills differed. Content management became a nightmare, as sophisticated tools used in traditional broadcasting to manage video delivery in accordance with programming contracts were not yet developed or applied to the digital model.

New workflows should consider a broadcast model that more closely mirrors the current digital model and addresses future content management requirements, evolving media infrastructure models and adaptable methods of video streaming.

**Consumption Trends:** TV Everywhere led companies to make their video content available across all platforms. But is this what consumers want? That depends on the content. For live events, consumers tend to seek the "best screen available," and look to mobile devices as a second-screen companion. With pre-produced content, mobile devices are becoming the primary screen(s) for an increasing number of users. Companies should tailor their video delivery strategy accordingly.

**Upholding the Brand:** Content may be king, but more is not always better. As media companies raced to make video available, disjointed efforts occurred within companies, often resulting in what looks like a hodgepodge of mobile applications and Web products delivering video. Companies should refocus their mobile application and Web-based video offerings to align with what connects best with the consumer. Product development teams need to strike a balance between maximizing the capabilities of mobile platforms and providing a consistent experience and distribution of product.

How will the media industry evolve? The sector is inherently a ready-shoot-aim environment where innovation thrives. Being at the forefront of innovation is an edge nobody wants to lose, but as the landscape continues to change, the most successful media companies will look to strike a balance between "fast" and "smart."

*Lori Bistis is an entertainment, media and communications advisory manager at PriceWaterhouseCoopers.*

WWW.MULTICHANNEL.COM
Multichannel NEWS

VICE PRESIDENT/GROUP PUBLISHER
Louis Hillelson
(917) 281-4730 lhillelson@nbmedia.com

EDITORIAL
Mark Robichaux, Editor In Chief, (917) 281-4750, mrobichaux@nbmedia.com
Kent Gibbons, Executive Editor, (917) 281-4722, kgibbons@nbmedia.com
Michael Demenchuk, Managing Editor, (917) 281-4712, mdemenchuk@nbmedia.com
Mike Reynolds, News Editor, *Multichannel.com*, (917) 281-4748, mreynolds@nbmedia.com
R. Thomas Umstead, Programming Editor, Multimedia Editor, *Multichannel.com*, Editor, *Multicultural News*, (917) 281-4768, tumstead@nbmedia.com
Mike Farrell, Senior Finance Editor, (917) 281-4716, mfarrell@nbmedia.com
Jeff Baumgartner, Technology Editor, (484) 380-3134, jbaumgartner@nbmedia.com
John S. Eggerton, Washington Bureau Chief, (571) 830-6440, jeggerton@nbmedia.com
Nicole Cobban, Senior Art Director, (212) 378-0439, ncobban@nbmedia.com
Alberto Gonzalez, Art Director, (917) 281-4707, agonzalez@nbmedia.com
Leslie Ellis, Technology Analyst, Translation Please, (303) 830-2553, leslie@ellisedits.com

BUSINESS
Jason Greenblatt, Associate Publisher, (917) 281-4726, jgreenblatt@nbmedia.com
Cheryl Mahon, Regional Sales Manager, (917) 281-4738, cmahon@nbmedia.com
Zachary Kalish, Sales Executive, (212) 378-0455, zkalish@nbmedia.com
Zahra Majma, Classified Account Executive, (917) 331-9498, zmajma@nbmedia.com
Chris Rucker, Marketing Art Director, (917) 281-4752, crucker@nbmedia.com
Jennifer Ware, Director of Events, (917) 281-4718, jware@nbmedia.com
Rebecca Shottland, Events Coordinator, (917) 281-4782, rshottland@nbmedia.com
Heather Tatrow, Production Manager, (917) 281-4762, htatrow@nbmedia.com

**Los Angeles**
Katie Rosa, Regional Sales Manager, (323) 841-7419, krosa@nbmedia.com

**International sales**
Masayuki Harihara, Yukari Media Inc. (81) 6-4790-2222, Fax (81) 6-4793-0800, mail@yukarimedia.com

**multichannel.com**
Peter Brown, Web Director, (212) 378-0510, pbrown@nbmedia.com

CIRCULATION
Meg Estevez, Associate Director, Consumer Marketing (212) 378-0447, mestevez@nbmedia.com
Christine Burgess, Circulation Manager (212) 378-0409, cburgess@nbmedia.com
Ulises Cabrera, Fulfillment Coordinator, (212) 378-0431, ucabrera@nbmedia.com
Dominique Rennell, Marketing Coordinator, (212) 378-0416, drennell@nbmedia.com
Subscriber Services (888) 343-5563
Outside U.S. Call (515) 247-2984
Customer Service e-mail MULcustserv@cdsfulfillment.com
For Back Issues Call (888) 343-5563
Reprints Wright's Media (877) 652-5295
List Rentals Lenny Medico, lenny.medico@lakegroupmedia.com

**NewBay Media**
Chief Executive Officer Steve Palm
Chief Financial Officer Paul Mastronardi
VP/Content & Marketing Anthony Savona
VP/Corporate Director, Audience Development Denise Robbins
VP/Production & Manufacturing Bill Amstutz
VP/Digital Strategy & Operations Robert Ames

**Offices**
NEW YORK
28 E. 28th St., 12th Floor
New York, N.Y. 10016
(917) 281-4700
Fax (917) 281-4704
WASHINGTON
8015 Hatteras Lane
Springfield, Va. 22151
Phone (571) 830-6440

Vol. 34 No. 42 November 4, 2013 © 2013 by NewBay Media, LLC. All Rights Reserved. *Multichannel News*® is a registered trademark of NewBay Media, LLC. *Multichannel News* (USPS 590-190) (ISSN 0276-8593) is published weekly, except one week in July, one week in August, one week in November and one week in December 2013, by NewBay Media, LLC, 28 E. 28th Street, New York, NY 10016. Subscription prices: U.S. 48 issues, $199. Canada/Mexico 48 issues $259.99. Foreign 48 issues, $299.99. Prepayment in U.S. funds only. Please send subscription orders to *Multichannel News*, P.O. Box 5872, Harlan, IA 51593-1167 or call (888)343-5563. Outside the U.S., call (515) 247-2984. Please allow three to four weeks for your subscription to begin or for changes to become effective. Periodicals postage paid at New York, NY, and additional mailing offices. POSTMASTER: Please send address changes to *Multichannel News*, P.O. Box 5872, Harlan, IA 51593-1167. Publications Mail Agreement No. 41975525. Please return undeliverable Canadian addresses to: RCS International, Box 697 STN A, Windsor Ontario N9A 6N4. Printed in U.S.A.

# Hall of Fame Caliber Quips, Quotes From Big Night at Waldorf-Astoria

Newly minted B&C hall of famer Bill Goodwyn of Discovery took time out to thank his frenemies.

NEW YORK — Broadcasting and cable bigwigs filled the ballroom at the Waldorf-Astoria in New York last Monday night (Oct. 28), pressing the flesh between bites of lamb chops and coconut-encrusted lobster.

The event was the Hall of Fame of sister publication ***Broadcasting & Cable***, where cable executives figured notably among those honored.

Tied for arguably the most entertaining acceptance speech were **Steve Bornstein**, CEO at **NFL Network** and former head of ESPN, and **Tom Rogers**, president and CEO of TiVo and formerly with NBC, where he got that company into the cable business while also being instrumental in securing passage of the deregulatory Cable Act in his spare time.

Bornstein told the story of hiring **John Walsh** to be managing editor of ESPN, a move that required firing his predecessor on the same day Walsh was coming to Bristol, Conn., to take over. An employee was dispatched to pick Walsh up at the Farmington, Conn., Marriott with the instructions that he should look for a man with white hair and a white beard; in fact, an albino.

Only problem was that the Marriott happened to be hosting the convention of the **National Association for Albinism and Hypopigmentation**, so the Marriott lobby was "crawling with albinos," Bornstein said. Walsh was identified nonetheless, but the employee had to circle Bristol with Walsh in tow because his predecessor was nowhere to be found to be fired first.

It ultimately all worked out, Bornstein said. The punchline, or more like object lesson, was to do whatever it takes to hire the smartest, most motivated people, and then get out of the way.

At NFL Network, Bornstein said, the same applied. The common thread between the two, he said was that all the success was a direct reflection of total team effort.

TiVo's Tom Rogers reflected on his days launching CNBC, and had some harsh words for the archrival Hopper.

The awards are given out in alphabetical order, so by the time it was **Rogers's** turn he opened with the old saw about feeling like **Zsa Zsa Gabor**'s 10th husband. He knew what to do, he just wasn't sure how to make it interesting. Nonetheless, Rogers managed to make it entertaining.

Rogers pointed out that when he was helping launch **CNBC**, **NBC** didn't want the iconic Peacock associated with the cable brand. The response of the broadcast-centric company — now, ironically, the province of **Comcast** — was, "Are you frigging crazy?" Rogers said, adding that they hadn't said "frigging."

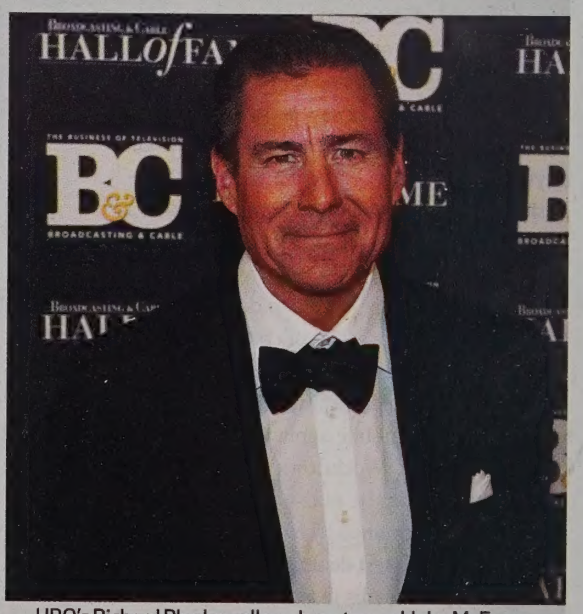
He said he went from helping cable undermine broadcast at NBC to **TiVo**, where he joked that it was kind of fun trying to destroy broadcasting and cable at the same time, then saying that, in fact, he was building partnerships with both, with the tagline, "The Hopper can suck it."

New **Federal Communications Commission** chairman **Tom Wheeler** was interviewed for the video that rolled before Rogers's award; he praised the inductee for his work on the Cable Act and "establishing a new paradigm" for the industry.

Rogers said he was honored to have Wheeler say nice things about him. But he drew a groan from the Washington types in the audience when he added that being called smart in Washington was like being called the smartest guy on the *Jerry Springer* show.

**Bill Goodwyn** of **Discovery Communications** gets an honorable mention for his observation that, in the cable business, you can be dropping F bombs in negotiations one minute, and having dinner and a beer the next. He thanked the F-bomb-dropping, beer-drinking executives in the room who were there to support him.

Teamwork was one of the themes of the evening. It was cited by **Comcast Cable** president **Neil Smit**, a former lieutenant commander with a Navy Seal team, though one who had also once been a Dough Boy (as in the Pillsbury version; he dressed up as one when he worked for that company).




HBO's Richard Plepler volleyed one toward John McEnroe.

Smit said his Navy Seal training taught him it was all about the team, and that carried over to the people at Comcast, who he said were the core of his success.

HBO CEO **Richard Plepler** had had his eye on another individual honor. Plepler, an aspiring tennis pro in his youth who decided to pursue other interests after getting shellacked by one **John McEnroe**, said he had been hoping to make the Tennis Hall of Fame before the Mac attack, and was grateful he could qualify for at least one Hall. "Johnny Mac, wherever you are," Plepler said, "eat your heart out."

*—John Eggerton*

ERIK EKROTH PHOTOGRAPHY

# NYC TELEVISIONWEEK
## OCTOBER 28-30, 2013

PRESENTING PARTNERS NAB B&C Multichannel News NextTV

# Thank you for a great event.

FOUNDING SPONSOR

SONY make.believe

COCKTAIL RECEPTION SPONSOR

NATIONAL GEOGRAPHIC CHANNELS

PRESENTING SPONSOR

WIDEORBIT

PLATINUM SPONSORS

verizon Digital Media Services

viamedia

GOLD SPONSORS

BROADWAY SYSTEMS

COMCAST WHOLESALE

DOLBY

FreeWheel SERVING THE VIDEO REVOLUTION.

HSN

Harris Broadcast Deliver the moment.

natpe CONTENT FIRST

OOYALA

GENERAL SPONSORS

AMC NETWORKS amc IFC sundance CHANNEL We IFCFilms

EXCLUSIVE RETAIL PARTNER

B&H PHOTO - VIDEO - PRO AUDIO www.BandH.com

BRAND SPONSOR

INVISION INC. MULTI-PLATFORM SALES AND DELIVERY SYSTEMS

STRATEGIC PARTNER

BECK MEDIA & MARKETING

MEDIA SPONSORS

Broadcasters Foundation of America

MARKET WIRED

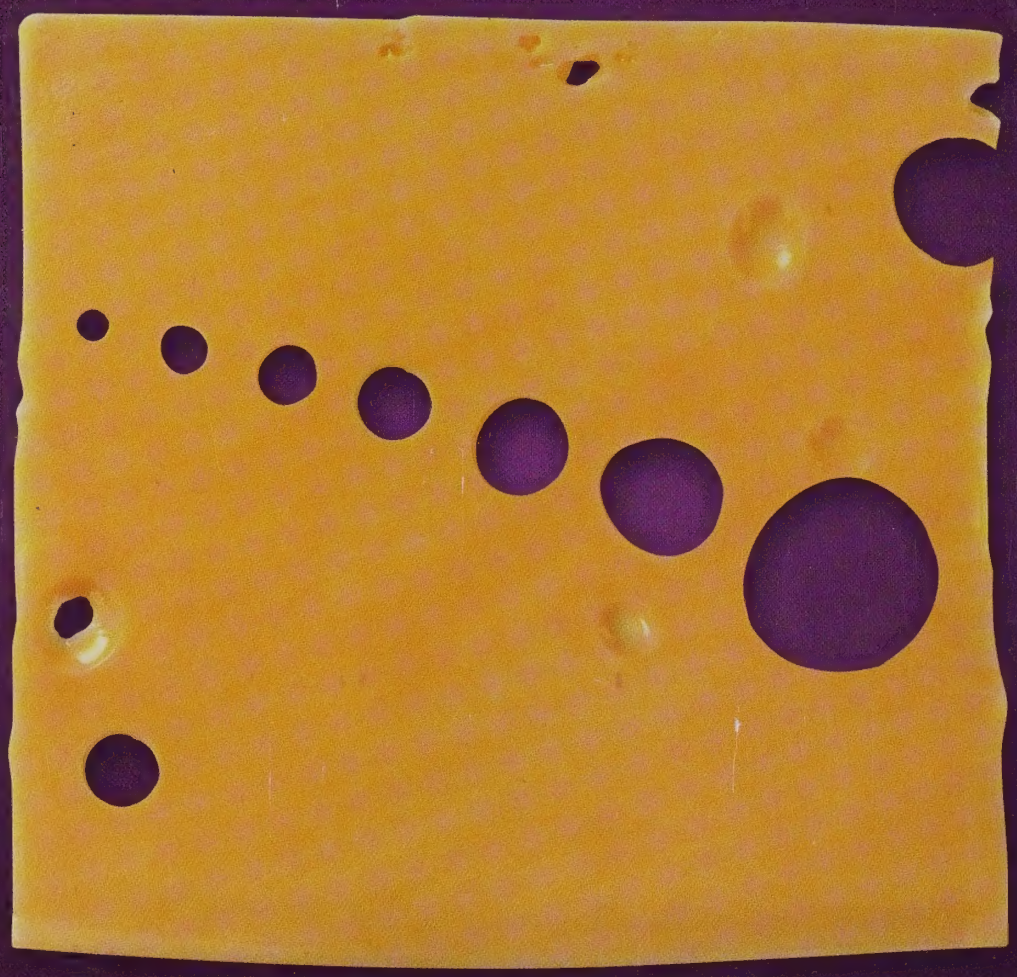
EXHIBITOR LIST

- AJA Video Systems
- B&H Photo Video Pro Audio
- Canon U.S.A., Inc.
- Comcast Wholesale
- Dolby Laboratories
- FreeWheel
- Future Media Concepts
- Hybrid TV
- Kaltura
- Manios Digital & Film
- Media Monitors
- Ooyala
- placemedia
- Sony Electronics Inc.
- SPROCKIT/ Executive Spotlight
- Teradek
- Verizon Digital Media Services
- Vitec Group
- Westcott

# We look forward to seeing you when we return fall 2014.

**For more about future events, contact Jennifer Ware at 917.281.4718 or jware@nbmedia.com**

Fill the holes in your advertising.



Viamedia can become an extension of your sales force, generating advertising revenue with no overhead. Focus on running your business, and let the leading independent provider of full-service DMA-based TV advertising drive your revenue with the power of media. That should make you smile. Say cheese!

viamedia

viamediatv.com